

# **AMERICAN SAMOA** *Forging a Path Towards a Resilient Economic Future*







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Photo left: The Flower Pot Rock, also know as Fatu of the famed Fatu ma Futi legend.



ASTCA telecommunications network operations center.

# Acronyms

ANZ	Australia and New Zealand Banking Group Limited
ASCA	American Samoa Code Annotated
ASCC	American Samoa Community College
ASCOC	American Samoa Chamber of Commerce
ASEDC	American Samoa Economic Development Credit
ASG	American Samoa Government
ASH	American Samoa Hawai'i Cable Company
ASHPO	American Samoa Historic Preservation Office
ASOI	American Samoa Office of Innovation
ASPA	American Samoa Power Authority
ASRSDP	American Samoa Resiliency Strategy Development Plan
ASSA	American Samoa Shipyard Services Agency
ASTCA	American Samoa Telecommunications Authority
ASVB	American Samoa Visitors Bureau
BLAST	Broadband Linking the American Samoa Territory
BOH	Bank of Hawai'i
BPO	Business Process Outsourcing
CDFI	Community Development Financial Institutions
CEDS	Comprehensive Economic Development Strategy

CEDS-AS	Comprehensive Economic Development Strategy of American Samoa
CIP	Capital Improvement Program
CRA	Community Reinvestment Act
DBAS	Development Bank of American Samoa
DEL	American Samoa Delegate to Congress
DHS	ASG Department of Homeland Security
DOA	ASG Department of Agriculture
DOC	ASG Department of Commerce
DOE	ASG Department of Education
DOH	ASG Department of Health
DOI OIA	Department of Interior Office of Insular Affairs
DPA	ASG Department of Port Administration
DPS	ASG Department of Public Safety
DPW	ASG Department of Public Works
EDA	Economic Development Administration
FEMA	Federal Emergency Management Administration
FDIC	Federal Deposit Insurance Corporation
FMWA	Federal Minimum Wage Act
GDP	Gross Domestic Product
GIS	Geographic Information System
GO	ASG Office of the Governor
HR	ASG Department of Human Resources
ICT	Information and Communication Technology

ISP	Internet Service Providers
ITT	Information Technology Technical
JROTC	Junior Reserve Officer Training Corps
LA	ASG Department of Legal Affairs
LBJ	Lyndon B. Johnson Tropical Medical Center
MED	American Samoa State Medicaid Agency
MIS	Management Information System
NGO	Non-government Organization
NPS AS	National Park of American Samoa
OB	ASG Office of Budget
ODAPM	ASG Office of Disaster Assistance and Petroleum Management
OP	ASG Office of Procurement
OSA	ASG Office of Samoan Affairs
POS	Point of Sale
PPA	Power Purchase Agreement
RGDP	Real Gross Domestic Product
RLF	Revolving Loan Fund
ROV	Remotely Operated Vehicle
SBA	Small Business Administration
SBDC	Small Business Development Center
SEO	Search Engine Optimization
SLP	School Lunch Program
SPTO	South Pacific Tourism Organization

SSBCI	Small State Business Credit Initiative
STEM	Science, Technology, Engineering, Mathematics
STP	Samoa Tuna Processors
SWOT	Strengths, Weaknesses, Opportunities, Threats Analysis
TBAS	Territorial Bank of American Samoa
TBS	Territorial Broadband Strategy
TIG	Territorial Investment Guide
TREAS	ASG Department of Treasury
URL	Uniform Resource Locator (web address)
USAR	United States Army Reserve
WPRFMC	Western Pacific Regional Fishery Management Council





# Introduction

The Comprehensive Economic Development Strategy of American Samoa (CEDS-AS) provides the territory with a plan to strategically manage its resources and prioritize development in key industries. These efforts are aimed at creating an environment in which economic diversification and resilience can flourish.

The CEDS program is also one of the cornerstone programs of the U.S. Economic Development Administration (EDA) and regions are required to update their CEDS every five years to qualify for assistance under the EDA Public Works and Economic Adjustment Assistance Programs in accordance with EDA's regulations at 13

CFR part 303.7. The CEDS-AS 2018-2022 is a continuation of the CEDS-AS 2013-2017.

It is important to note that the renewal of the CEDS-AS is occurring at a critically important time in the territory's history. At play presently are several strong and imposing forces that may impact the decisions we are making today and in the near future. Specifically, the tuna canning industry is facing unsustainable pressures, the territory's competitive advantage has eroded as the federally-mandated minimum wage has continued to increase, the population has declined at an average annual rate of -2.2% since 2009, and critical disaster funding is diminishing.

Unfortunately, the current trajectory of American Samoa's economy is fraught with peril. Should the last remaining tuna cannery close, the territory will likely experience a catastrophic economic disaster and fall into a deep, systemic recession that could take decades from which to recover. This holds great implications for the people of these islands and for their cultural way of life. As such, the CEDS-AS will focus predominantly on economic diversification with long-term resilience as the ultimate goal.

<sup>1</sup><https://www.fema.gov/disaster/4357>



## FA'AALIAO (*trochus shell*)

The *fa'aaliao* is a motif used in three of our main Samoan art forms: *tatau*, *siapo*, and woodcarving. Traditionally, aliao are collected for eating of the alili mollusk inside. They are relatively abundant and can be collected during low tide. The shell is represented as a triangle and can be conveyed as a diamond or in repetitious formations. The shell is also useful and has been used for an array of things including fish hooks. Today, these shells provide a means to generate income by crafting bracelets, earrings and necklaces for sale.

Photo left: Hiking trail on Aunu'u island.





## Development of CEDS-AS 2018-2022

As required by the EDA, there are five main elements that make up the CEDS-AS 2018-2022:

- 1. Summary Background** – This section provides an overview of the territory's economic situation, touching on both recent economic history as well as an economic forecast.
- 2. SWOT Analysis** – This section assesses the state of the territory's economy by determining the strengths, weaknesses, opportunities and threats posed by internal and external forces.
- 3. Strategies & Actions** – This section includes the vision, goals, objectives, strategies, and actions that the territory will take to guide economic development activities through 2022.
- 4. Evaluation Framework** – This section establishes criteria and performance measures that will be used to evaluate the effectiveness of CEDS-AS implementation.
- 5. Resilience** – This section outlines the territory's approach towards building economic resilience such that the territory can better avoid major disruptions and more effectively recover from periodic downturns in the local and regional economies.

*Vaitogi village coastline.*



*ASG DOC CEDS-AS workgroup.*

The production and development of the CEDS-AS was driven by the American Samoa Government's Department of Commerce (ASG DOC) under the leadership of Director Keniseli Lafaele, who assembled a CEDS-AS workgroup to draft the strategy.<sup>2</sup> The CEDS-AS workgroup conducted a broad stakeholder engagement initiative, which sought to gain input from community members, government leaders, business owners, entrepreneurs, and other stakeholders. Surveys were conducted

as were one-on-one interviews. This information was then analyzed along with information from American Samoa's previous CEDS, regional trends and reports, and other local planning initiatives. As a result of these combined effort, a CEDS-AS vision was developed, goals were established, objectives were created, and actions were identified and incorporated accordingly.

<sup>2</sup>Refer to Appendix F for names, titles, and roles of ASG DOC CEDS-AS workgroup.



*Fogama'a Crater, Vaitogi village.*





# Summary Background

American Samoa is one of five inhabited U.S. Territories and is located in the middle of the vast Pacific Ocean, approximately 7,000 miles from Washington D.C., 4,800 miles from California, and 2,500 miles from Hawai'i. Due to its relatively small size and remote location, American Samoa faces many challenges including but not limited to a shrinking population, high poverty rates, and a fragile insular economy. The territory's economy and its long-term economic stability is solely dependent upon federal government funds and the continued operations of the one remaining tuna cannery. There were approximately 17,218 workers in the territory in 2017, with as many as 2,880 unemployed, driving the unemployment rate to 14.3%. In 2017, the American Samoa gross domestic product (GDP) was \$634.0 million, which represents a

2.9% decrease from the 2016 GDP. Adjusted for inflation, real GDP was \$598.0 million, or a year-over-year decrease of 5.3%.

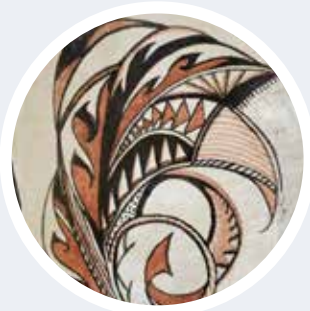
## Economic History

As a small, insular economy, American Samoa has long been prone to economic shocks from internal and external forces. Little data has been archived from before World War Two, and only sparse economic data can be found from the years before 2002. Available resources indicate an economy that quickly transformed from primarily agricultural, in the early 20th century, to booming by the 1940's, when U.S. Department of Defense project funds flooded the island. Immediately following the end of World War Two, the flow of federal dollars slowed to a trickle and the local

economy fell into a contractionary spiral that would last almost ten years.

In 1949, a cannery was built on the main island of Tutuila to process and export locally-harvested tuna. It was unprofitable, and subsequently closed until a 1953 rule-change allowed the unloading of fish from non-U.S. flag vessels in the territory. The Van Camp Seafood Company re-established the cannery and enticed a Japanese fleet of longliners to make Pago Pago their main off-loading port. After a decade of Van Camp's success in American Samoa, Starkist Foods opened a second cannery and saw the fleet of Asian longliners continue to grow, along with a new fleet of US purse seine vessels. Eventually, other canneries transferred some operations to American Samoa, including Chicken of the Sea and Tri-Union.<sup>3</sup>

<sup>3</sup>Food and Agricultural Organization of the United Nations (FAO), "The Tuna Canneries". <http://www.fao.org/docrep/010/ai001e/ai001e09.htm>



### FA'ALAUULU (*breadfruit leaf*)

This pattern with its curvaceous edges is a very popular motif and can be seen frequently in Samoan designs, especially on the freehand of bark cloth paintings. The tree itself is both versatile and resilient with its many uses, which includes providing food for families, food preparation, adhesive, home and canoe building. Breadfruit trees can be seen everywhere in Samoa and when in season, the trees produce an abundance of breadfruit, or *ulu*.

Photo left: Tisa's Barefoot Bar, Alega Beach.





Location of American Samoa.

While the canneries helped to lift the local economy, local government revenues were still insufficient to maintain the infrastructure that had sprung up when the U.S. military occupied much of the territory in the 1940's. An article in the July 1961 Readers Digest, titled "Samoa: America's Shame in the South Seas", told of the dilapidated government buildings, unrepaired roads, and other infrastructure in disrepair around Pago Pago. The article sparked a new wave of federal funds into the territory, improving roads, government

buildings, healthcare facilities, and tourism infrastructure. The federal funds helped to spur local business, create jobs, and to definitively evolve the territory from a purely subsistence economy to a cash-dominant economy. The surge in federal dollars was a welcomed lifeline, but also opened the islands up to an unprecedented level of regulatory oversight.

Over the next four decades the territory was hit with increasingly burdensome federal regulations, which often yielded greater

negative externalities than the benefits that the associated funds provided to the people of American Samoa. The private sector struggled to remain profitable, and economic growth slowed in many years. The first sign of problems occurred in 1997, when Van Camp filed for bankruptcy. Not long after American Samoa was included in the 2007 Fair Minimum Wage Act, Chicken of the Sea ceased operations in Pago Pago, costing the territory at least 2,000 full-time-equivalent jobs.

This may have been the beginning of another economic downturn, if not for the dual impact of FEMA disaster relief funds, following a deadly tsunami that struck the territory in 2009, and a short-term spike in federal grant funds from the American Recovery and Reinvestment Act of 2009. The surge in federal government spending cauterized the gash left in the economy after the Chicken of the Sea closure, although the relief ultimately proved to be temporary. Total population has decreased in all but one year since the tsunami and cannery closure, from 70,100 in 2009 to 60,300 in 2017. Additionally, employment and wages have been stagnant, growing at an anemic average annual rate of 1.2%, while consumer prices have grown at an annualized clip of 2.7%. Finally, real GDP has fallen by \$80 million over this same period.

The economy of American Samoa went through a series of wild fluctuations, between the damage from the tsunami, the cannery closure, and the flood of grant funds that washed through the territory in 2010 and 2012. Conditions began to stabilize in 2014, when real GDP increased by 1.0%, followed by another 1.3% in 2015. The new growth was spurred, in part, by a large capital investment by Tri Marine International on the purchase and construction of land and facilities for the purpose of processing and packaging locally harvested tuna. The facility opened early in 2016, under the name Samoa Tuna Processors (STP). Competition from Asian-based canneries immediately put the company in a precarious position and processing operations permanently halted in late-2016. Gross Domestic Product (GDP) in American Samoa fell by 0.2% in that same year, though the contraction was closer to 2.5%, when adjusted for inflation.

STP laid off as many as 600 employees, which led to hundreds of additional job losses in related and support industries in 2016 and 2017. StarKist, the final remaining tuna processor in the territory, also faced setbacks in 2017. Availability of landed fish, along with a number of federally-mandated equipment upgrades, forced the company to temporarily halt operations for five weeks in the fourth quarter of 2017. The shutdown left thousands of employees without salaries to cover basic expenses and cost the local government more than half-a-million dollars in income tax revenues.



Samoa siva, or dance, performed on First Friday at the Fagatogo Market.

The combined impact of the cannery closures contributed to a spike in the unemployment rate in the territory, rising from 10.5% in 2016 to 14.3% in 2017, and led to stagnant spending in both the private and public sectors. As a result, the economy contracted by 2.9% in 2017. Transportation costs rose modestly that year, as well, causing real GDP to have contracted at a rate of 5.9%.

The recession might have extended into the following year, if not for a devastating cyclone that impacted much of American

Samoa in February of 2018. By some estimates, Cyclone Gita caused as much as \$462 million in direct and indirect damages across the territory. At least 50% of all citizens were faced with some level of loss to real and/or personal property during the cyclone. Food, water, and other basic necessities were in high demand throughout the days and weeks that followed. During that time, automated teller machines were persistently low on cash supplies as the people of the territory scrambled to draw enough to cover immediate repair and replacement costs. Additionally, international relief agencies

<sup>3</sup>Food and Agricultural Organization of the United Nations (FAO), "The Tuna Canneries". <http://www.fao.org/docrep/010/ai001e/ai001e09.htm>

distributed pre-loaded gift cards to families and individuals that were most affected by the storm. This is expected to have led to a spike in personal expenditures immediately following the cyclone, especially on nondurable goods, such as food, water, cooking fuel, and clothing.

Simultaneously, local and federal government spending surged as emergency supplies were procured, relief staff were brought in, and as debris removal efforts ramped up. Damage to private and public property was evaluated over the following months, and more than \$20 million was distributed to individuals and families through the U.S. Federal Emergency Management Administration’s (FEMA) Individual Assistance programs. Millions more are expected to be approved to assist in rebuilding and repairing public property and infrastructure through FEMA’s Public Assistance programs. Additionally, approximately \$40 million more in federal assistance came in from U.S. Small Business Administration loans, intergovernmental service agreements, disaster-related grants, other federal programs, and private insurance.

### Economic Forecast<sup>4</sup>

Combined territorial and federal government spending in American Samoa is expected to have grown by 11.0% in 2018 and is projected to decrease by 2.8% in 2019 as the impact

of project grants and disaster relief funds begin to dissipate. Government spending is then expected to increase by 0.8% in 2020, when additional workers are hired for the decennial census. Following the completion of the survey, temporary Census employees will fall off of public payrolls and government spending will contract by an estimated 2.1% and 1.3% in 2021 and 2022, respectively.

The accelerated growth in government spending in the early years of this forecast, along with the swell in relief funds to individuals and families, is anticipated to have created as many as 500 jobs in the government and private sectors in 2018, lifting personal income by approximately \$10.4 million that year. Personal consumption expenditures are forecast to grow by 1.3% in 2018, 1.4% in 2019, and 0.4% in 2020 before contracting by 1.9% in 2019.

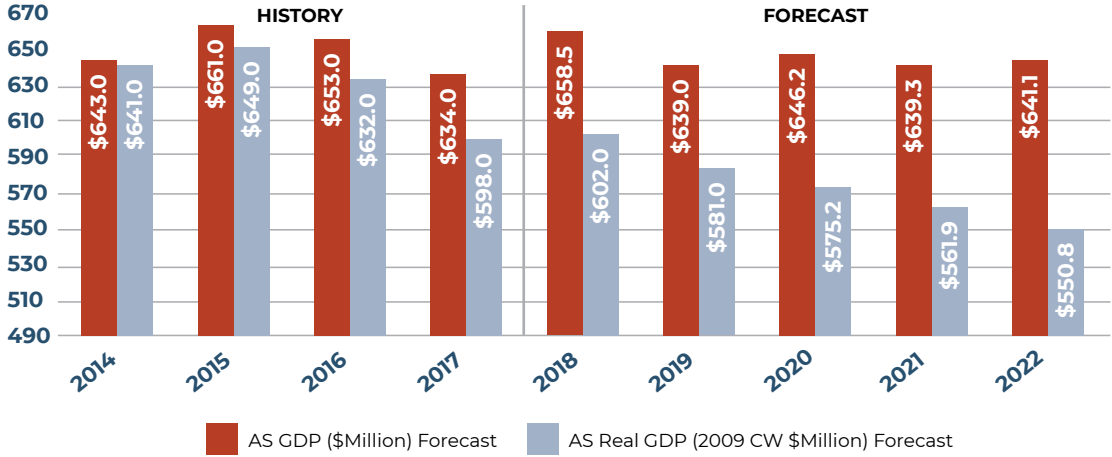
Business investments in American Samoa are forecast to decrease by 14.5% in 2018, although the deceleration in private business spending has little to do with the cyclone. Rather, it represents the end of the STP investment. The steepest decrease doesn’t come until 2019, though, when business investment in the territory contracts by an estimated 25.6% as the last of the Samoa Tuna Processors equipment and construction material imports are counted. Business spending is projected to decrease for a third year in a row, contracting by an additional 5.0% in 2020, as the private

fixed investments return to a level that is more consistent with its long-term trend. Then business spending is forecast to grow by 0.4% in 2021 and 10.2% in 2022.

Net exports are anticipated to grow modestly in 2018 as growth in consumer and government spending is offset by higher exports. Specifically, net exports are forecast to rise by 0.9% in 2018 before decreasing by 1.5% in 2019, 2.5% in 2020, and 1.3% in 2021. The steeper growth in imports towards the end of the forecast period is primarily driven by rising fuel and transportation costs.

Total GDP is expected to be \$658.5 million in 2018, which is 3.9% higher than the previous year. Output is then anticipated to contract by 3.0% in 2019 (to \$639.0 million), before growing by 1.1% in 2020 (to \$646.2 million), declining by 1.1% in 2021 (to \$639.3 million), and rising by 0.3% in 2022 (to \$641.1 million). Adjusted for inflation, RGDP is forecast to increase by 0.7% in 2018, and then contract by 3.5% in 2019, 1.0% in 2020, 2.3% in 2021, and 2.0% in 2022. Additional details can be found in the following tables.

### American Samoa Gross Domestic Product



### American Samoa Economic Forecast SUMMARY

		HISTORY				FORECAST				
		2014	2015	2016	2017	2018	2019	2020	2021	2022
CATEGORY	<b>Nominal Gross Domestic Product</b> (\$ Million)	643.0	661.0	653.0	634.0	658.5	639.0	646.2	639.3	641.1
	Annual Growth (%)	0.3	2.8	-1.2	-2.9	3.9	-3.0	1.1	-1.1	0.3
	<b>Real Gross Domestic Product</b> (2009 CW \$ Million)	641.0	649.0	632.0	598.0	602.0	581.0	575.2	561.9	550.8
	Annual Growth (%)	0.9	1.2	-2.6	-5.4	0.7	-3.5	-1.0	-2.3	-2.0
	<b>Average Annual Wage</b>	13,474	13,348	13,850	13,929	14,282	14,329	14,360	14,249	14,158
	Annual Growth (%)	0.8	1.2	-2.6	-5.4	0.7	-3.5	-1.0	-2.3	-2.0
	<b>Personal Income</b> (\$ Million)	341.7	335.9	354.7	354.9	364.9	379.4	384.3	370.3	372.9
	Annual Growth (%)	6.9	-1.7	5.6	0.0	2.8	4.0	1.3	-3.7	0.7
	<b>ASG Revenues</b> (\$ Million)	98.9	98.0	90.9	87.9	93.5	95.6	97.2	96.6	96.3
	Annual Growth (%)	-7.8	1.0	7.2	3.3	-6.4	-2.2	-1.7	0.6	0.3
	<b>Population</b>	61,811	60,863	60,200	60,300	60,599	61,068	60,891	60,547	59,856
	Annual Growth (%)	-1.3	-1.5	-1.1	0.2	0.5	0.8	-0.3	-0.6	0.3
	<b>American Samoa Consumer Price Index</b>	98.5	97.7	98.7	101.9	105.4	107.3	109.1	110.3	110.5
	Annual Growth (%)	0.0	-0.8	1.0	3.2	3.5	1.8	1.6	1.1	0.2
	<b>AS GDP Deflator</b>	100.3	101.8	103.4	106.1	109.4	110.0	112.4	113.8	116.4
	Annual Growth (%)	-0.7	1.5	1.6	2.6	3.1	0.5	2.2	1.3	2.3

<sup>4</sup>Clayville, N., “American Samoa Economic Forecast - FY2018Q3”. American Samoa Department of Commerce, Economic Analysis Office.



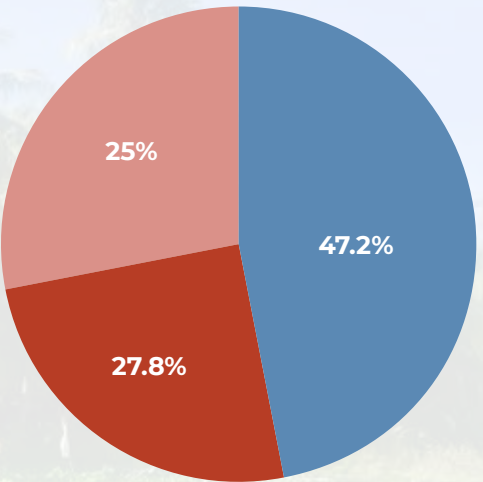
# Business Confidence Index

In the absence of a local Business Confidence Index or similar metric, business, government, and community leaders were surveyed to obtain their opinions on the state of the economy and the likelihood of future business investment and developments. Despite the economic contraction expected in the business investments GDP category through 2019 and 2020, which is largely due to the end of the STP investment and buildout, 75% of those surveyed responded that they were confident in reinvesting into the growth or expansion of their own business. In addition, 30.6% of those surveyed describe the current state of the economy as improving, and 52.7% see the economy improving over the next 5 years.

Any investments made by small businesses over the next five years will likely temper the slope of the drop-off we will experience but will not have any significant impact on the directionality of the economic forecast.

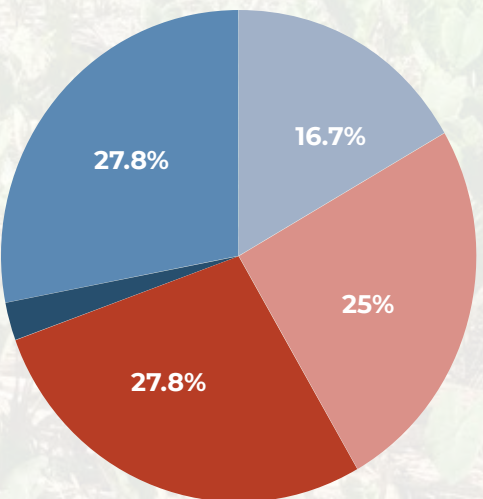
## How confident are you with the prospect of reinvesting into the expansion or growth of your business/ organization?

- Very confident
- Slightly confident
- Not confident



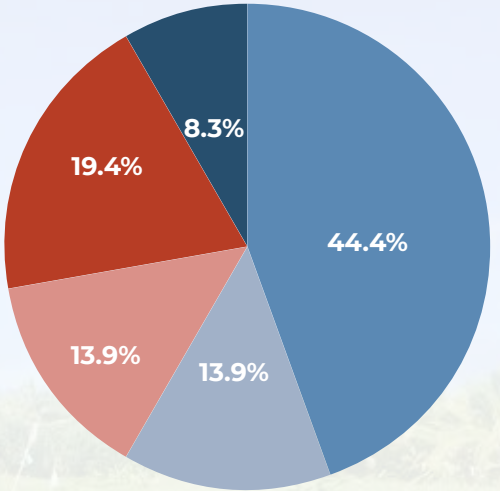
## How would you best describe the current state of the American Samoa economy?

- Significantly improving
- Slightly improving
- No improvement
- Slightly declining
- Significantly declining



## Where do you see the American Samoa economy in the future (5 years)?

- Significantly improving
- Slightly improving
- No improvement
- Slightly declining
- Significantly declining



75% OF THOSE SURVEYED RESPONDED THAT THEY WERE CONFIDENT IN REINVESTING INTO THE GROWTH OF THEIR OWN BUSINESSES.



Taro plantation, or taufusi, in Aunu'u.







# SWOT Analysis

The CEDS-AS workgroup conducted an analysis into the various strengths, weaknesses, opportunities, and threats (SWOT) facing the territory of American Samoa. The SWOT analysis framework is particularly useful in identifying the territory’s competitive standing, in terms of both internal and external factors, and the potential for future development.

Proposed SWOT items were then categorized and narrowed down to a more specific list, which was used to develop an online survey to solicit input from the community. More than 50 diverse stakeholders from the public and private sector were invited to take part in the online

survey. Information regarding the CEDS-AS, including its purpose and goals, was also sent to the survey participants. Follow up calls and emails were then conducted to ensure maximization of survey responses. As the survey responses were collected, the CEDS-AS workgroup also met individually with public and private sector leaders to gain further insights into existing organizational priorities, projects, and business strategies. The interviews allowed each individual business owner and organizational leader to speak to the unique issues that impact their organizations and industries.



"Made in the USA" branding recognized as a Strength.



## FA’ATULI (Tuli bird)

The Tuli bird is a migratory shorebird and they are known to fly thousands of miles to reach our shores to avoid the cold winters in North America. This motif usually appears on siapo and references the change in seasons as they appear and disappear to avoid the aforementioned northern winters. These birds also represent strength and resilience due to the long journey they still make to this day.

Photo left: A wide variety of fruits and vegetables are sold at the Fagatogo Market.



Strengths

Access to Ocean Resources

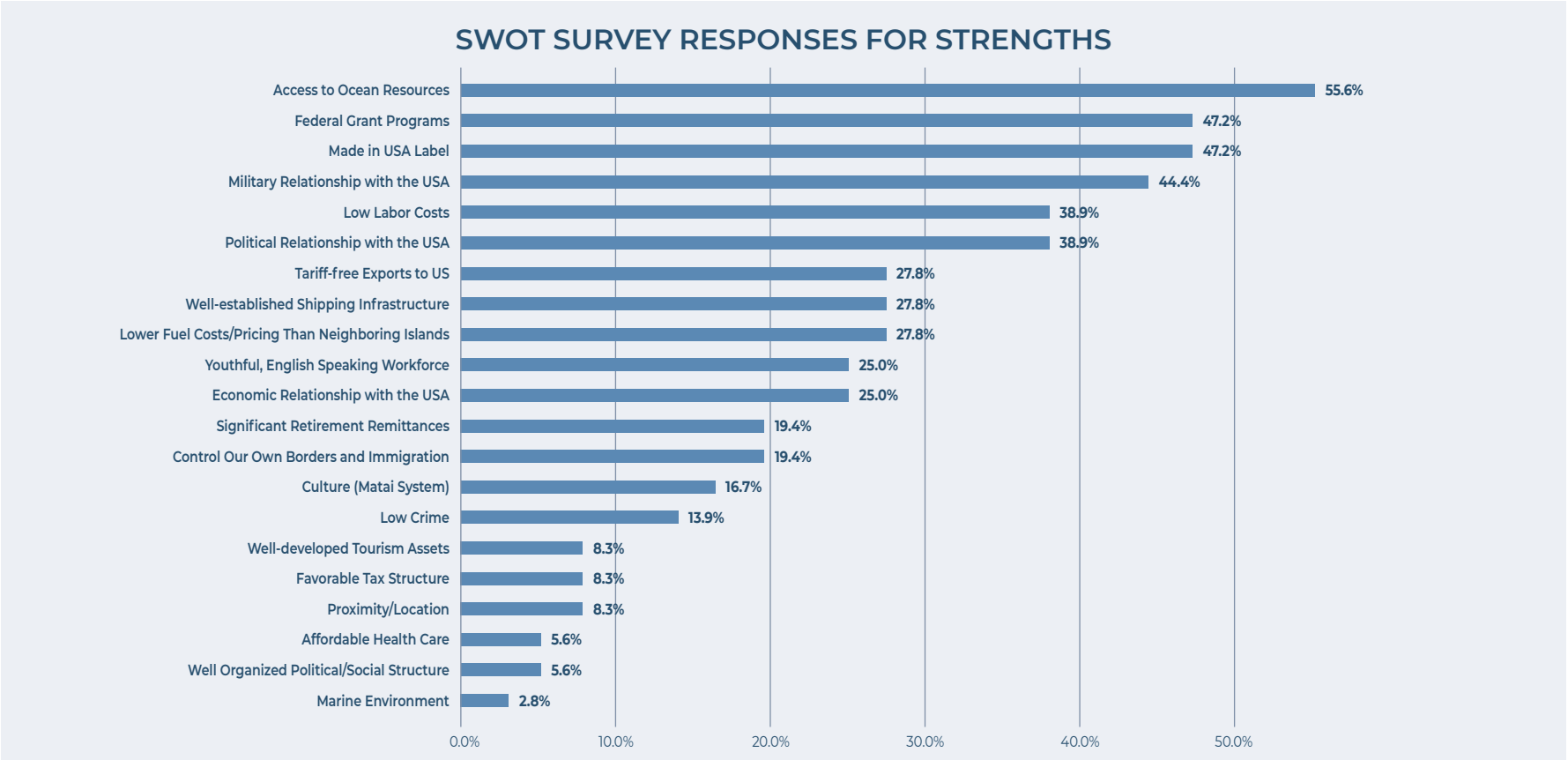
As the primary export in American Samoa, the tuna is our most precious ocean resource. As a remote, insular territory, healthy oceans are essential for economic growth and food production. Of those surveyed, **55.6%** agreed that *access to ocean resources* is one of American Samoa’s

main strengths. Other related opportunities include aquaculture, scientific research, and exporting other varieties of seafood.

“Made in the USA” Label

As a U.S. territory, goods produced in American Samoa are eligible for the “Made in the USA” label– a designation that is synonymous with high quality products that comply with environmental and

health standards. Of those surveyed, **47.2%** agreed that having the “*Made in the USA*” *label* is a strength and could be better leveraged to support the economic growth of American Samoa. Private and public investment in the production of these goods directly contributes to income growth, job creation, and the preservation of existing manufacturing jobs in the U.S. and its territories.



Federal Grant Programs

Federal grant programs and expenditures are a main contributor to our territorial economy, directly accounting for more than 20% of American Samoa’s gross domestic product in 2017. Of those surveyed, **47.2%** agreed that *federal grant programs* have a vast impact on the economy of American Samoa, especially programs and services geared towards supporting a largely low-income community.

Military Relationship With The USA

American Samoa is noted for having the highest rate of military enlistment per capita of any U.S. state or territory. The high enlistment rate is primarily due to limited job or career opportunities on island. Of those surveyed, **44.4%** agreed that one of American Samoa’s greatest strengths is its military relationship with the United States. With an existing Army recruiting office, as well as the newly established Marine recruiting station located on island, residents are more aware of the many opportunities available through military service. There are also U.S. Army Reserve facilities in the territory and high numbers of secondary and tertiary students enrolled in JROTC programs, which support the enlistment rates. This high enlistment rate has resulted in a growing veteran community, with an estimated 3,000+ former service members who have returned and currently reside in the territory. These veterans are valuable consumers, and many are active business and, community, and public service leaders.



Vice President Mike Pence in American Samoa with Governor Lolo Matalasi Moliga.

Low Labor Costs

Relatively low labor costs provide businesses and corporations in American Samoa a comparative advantage over mainland-U.S. competitors, while the “Made in America” label preserves a competitive advantage over countries with even lower wages. Of those surveyed, **38.9%** agreed that low labor

costs are a strength and benefit to the local economy. The minimum wage in American Samoa is still lower than the federal minimum wage, and much lower, relative to U.S. states and municipalities that have adopted minimum wage rates that exceed the federal base wage. Current minimum wage details can be found in Appendix B.



Weaknesses

Air Transportation (Frequency & Cost)

Hawaiian Airlines remains the only domestic air carrier currently servicing the territory, with two weekly flights to Hawai'i throughout the year and an additional flight each week during peak travel seasons. Of those surveyed, **80.6%** identified *air*

*transportation* as a major weakness in American Samoa's economy. This has also been cited as a challenge to the tourism industry and may hinder the territory's ability to attract other industries in the future, as many business managers and investors prefer easy and convenient access to their business locations.

Banking and Financial Services

After more than 40 years of service, American Samoa's longest existing commercial bank, the Bank of Hawai'i (BOH), announced in 2013 their eventual withdrawal from the territory. Of those surveyed, **72.2%** identified *banking and financial services* as another predominant economic weakness in the territory. When BOH ultimately

exits, the territory will be left with only two commercial lending banks – ANZ Bank and the newly established Territorial Bank of American Samoa (TBAS). Restrictive commercial lending policies, higher bank fees, longer turnaround times, limited services, and overly crowded banks are common complaints among respondents and interviewees.

Inefficiencies in Government

Many factors can contribute to government inefficiency. Causes can include poor coordination, outdated processes or technology, or a simple lack of resources. Of those surveyed, **50.0%** identified *inefficiencies in government* as a major weakness to the territory's economic development. Delays in the issuance of permits, licenses, or payments to vendors were common complaints among respondents and interviewees.

Non-diversified Economy

For decades, American Samoa's economy has relied disproportionately on federal expenditures and local tuna canneries for economic growth. Of those surveyed, **36.1%** identified a *non-diversified economy* as an added weakness to economic development. Should StarKist decide to depart the territory or should the Government face significant budget cuts or shutdowns, the local economy risks severe short and long-term consequences as a result of its limited economic diversity and tax base.

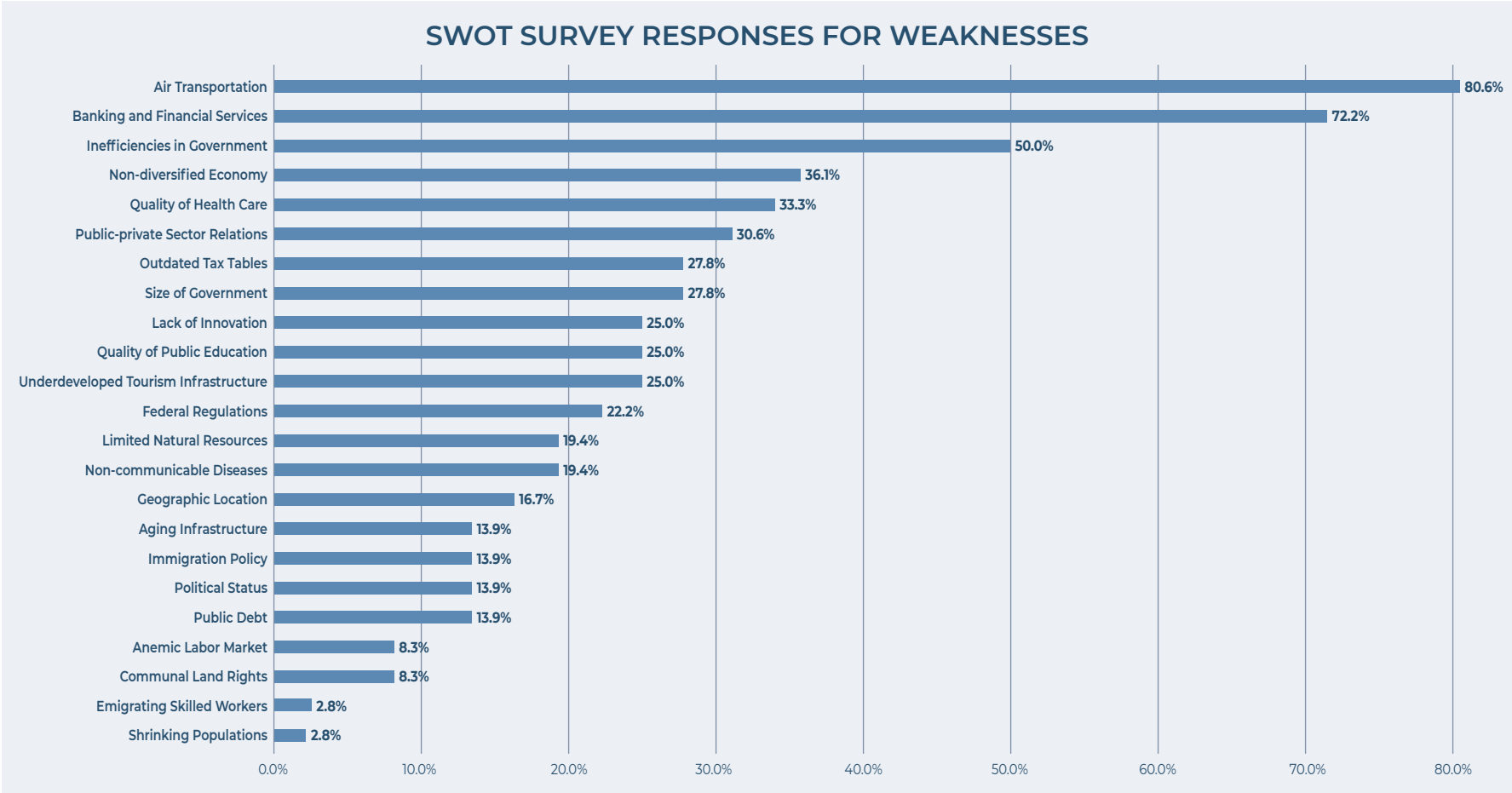


Tourists visiting the village of Aunu'u.

health care services. The Department of Health (ASC DOH) does operate five other Public Health Centers, which has helped to alleviate some of the strain on LBJ. The territory has also long struggled with securing and retaining high quality health care practitioners. This is due, in part, to the territory's remote location, the relatively heavy workload, inadequate funding, and uncompetitive wages.

Quality of Health Care

The Lyndon B. Johnson Tropical Medical Center (LBJ) is the sole hospital in the territory. As a result, patients frequently experience long delays when seeking medical care. Of those surveyed, **33.3%** identified *quality of health care* a weakness. There are only a small number of private health care practices located in the territory, mainly due to an inability of patients to afford the high cost of unsubsidized





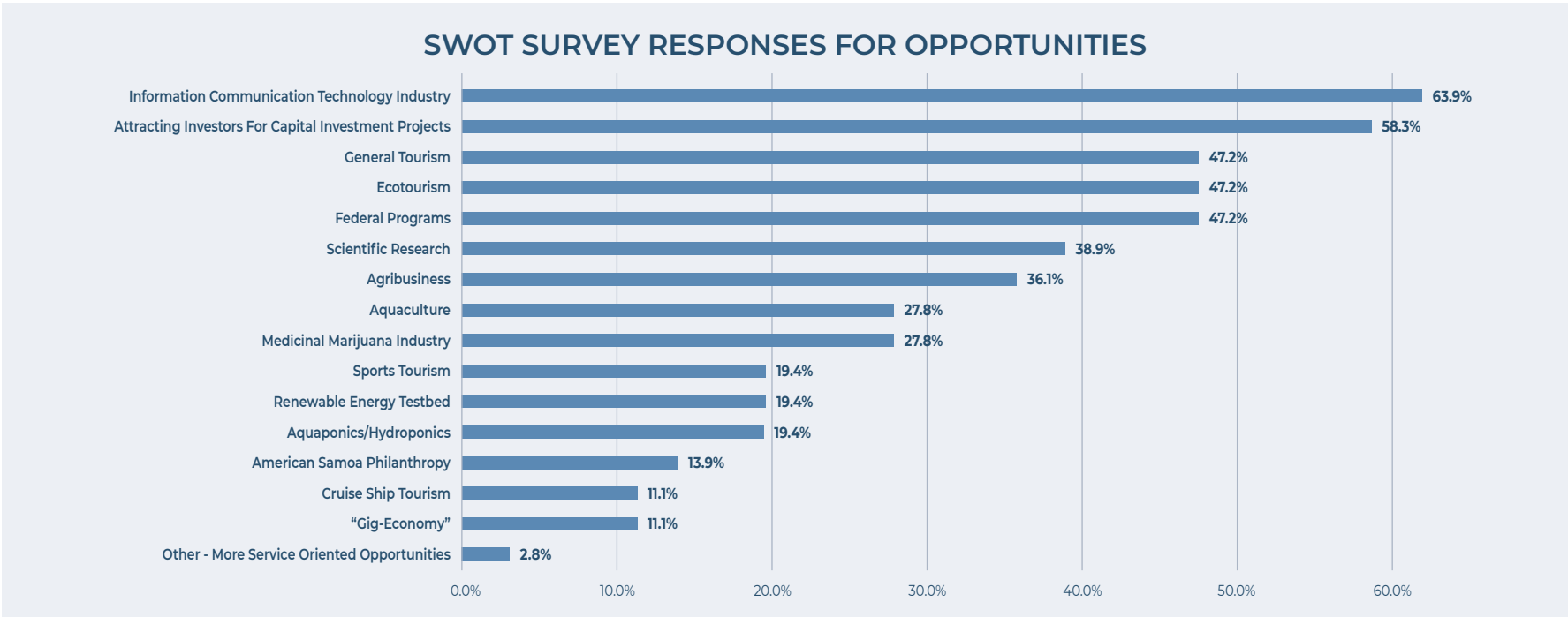
Opportunities

Information Communication Technology Industry

Recent advancements in American Samoa’s telecommunications infrastructure have resulted in increased optimism with regards to developing a new telecommunications industry. The \$90+ million-dollar BLAST (Broadband Linking the American Samoa Territory) Project funded the creation of one of the regions only true fiber-to-the-premise networks in the territory. The more recent investment by ASG into the Hawaiiki submarine fiberoptic cable affords businesses and other users in the



The late ASTCA CEO Puleleiti Tufele Jr. at the Hawaiiki submarine cable landing in April 2018



territory the opportunity to truly leverage the BLAST network infrastructure. Of those surveyed, **63.9%** identified the *Information Communication Technology (ICT)* as one of the most promising opportunities for the territory.

Attracting Investors For Capital Investment Projects

The infusion of federal dollars, either through the Capital Improvement Program (CIP) or other funding initiatives, has long been the only real source of funding for capital development projects. Of those surveyed, **58.3%** identified *attracting investors for capital investment projects* as the second most chosen opportunity in American Samoa. Attracting new investors could provide the necessary capital to develop new industries and foster additional growth in existing and emerging industries.

Ecotourism

The lack of urban development, skyscrapers, and other features common among urban cities across the United States and other developed nations could make American Samoa an ideal destination for eco-tourists. The territory appears to be well-suited for such an industry, with its lush mountains, tropical rainforests, a National Park, thriving reefs, and an authentic, hospitable Samoan culture. Of those surveyed, **47.2%** identified *Ecotourism* as a potential economic opportunity.



National Park of American Samoa Adventure Trail.

General Tourism

The South Pacific continues to be a popular destination for visitors seeking sun and adventure. As such, the tourism industry has grown tremendously throughout most of the region in recent years. Of those surveyed, **47.2%** identified *general tourism* as an opportunity to pursue over the next 5 years. While cruise ships visitations have increased over the past few years, air transportation is the means to a more consistent inflow of tourists. It is generally viewed that regulatory restrictions, such as the restrictive cabotage laws, are the main barriers to seeing significant improvements in this industry.

Federal Programs

Government expenditures are one of the two major drivers of the territory’s economy. However, there are many grant programs and funding opportunities that have not been accessed due to a lack of information, expertise, or a clear understanding of certain federal grant programs. Of those surveyed, **47.2%** identified *Federal Programs* as a major opportunity for the Territorial economy. New political administrations with new priorities, both at the federal and state levels, often open the door to new funding opportunities and programs.



Threats

Departure of U.S. Banking Institution

The departure of the Bank of Hawai'i has highlighted the significance of this threat. Without access to reliable banking services, any community would face significant struggles, with regards to economic and business development. Of those surveyed, **66.7%** agreed that the *departure of U.S. Banking institutions* as a threat to the economy.

Political Administration Transitions

Changes in executive government administrations are often accompanied by shifts in governmental priorities. This may impact the implementation or continuation of current strategies and may have a direct impact the underlying economy. This is especially true with a small, insular economy, like that of American Samoa. Of those surveyed, **63.9%** agreed that *political administration transitions* pose a potential threat to the economy.

Budgetary Constraints

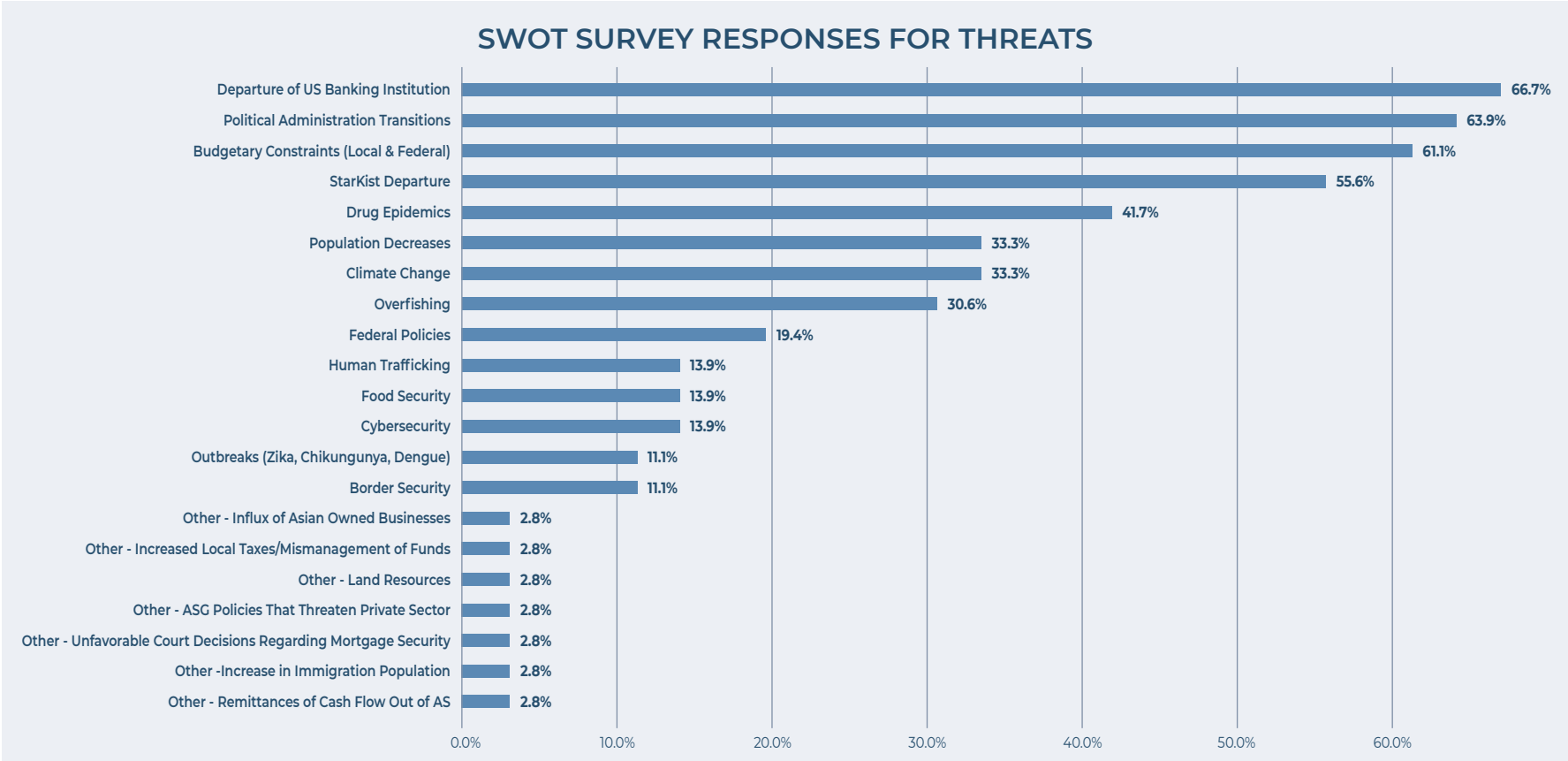
The territory's budget is heavily influenced by funding from the Department of Interior, which has remained unchanged for several years. In addition, the lack of a diversified and strong tax base puts limitations on programs that are funded through local revenue collections. Of those surveyed, **61.1%** agreed that *budgetary constraints (local & federal)* are a major threat to the Territorial economy.

StarKist Departure

The possible departure of our last remaining cannery, StarKist, has long been a concern for local leaders and businesses. Of those surveyed, **55.6%** agreed that the *departure of StarKist* is a major threat to the economy. The direct and indirect impact of such a departure could result in a major recession in American Samoa, severely crippling the local economy.

Drug Epidemic

As is the case across the U.S., the territory is facing a drug problem as well. Of those surveyed, **41.7%** agreed that the *drug epidemic* is a threat to the economy. A continued drug problem, particularly the increase in drug usage by residents, can result in several outcomes that may impact the economy, such as creating a strain on local resources, a decrease in workforce productivity, and increasing health care costs.



Photos (clockwise from top left):  
Star Kist, Olympic Day morning  
workout, Shoreline erosion in  
Utulei, Cyclone Gita damage



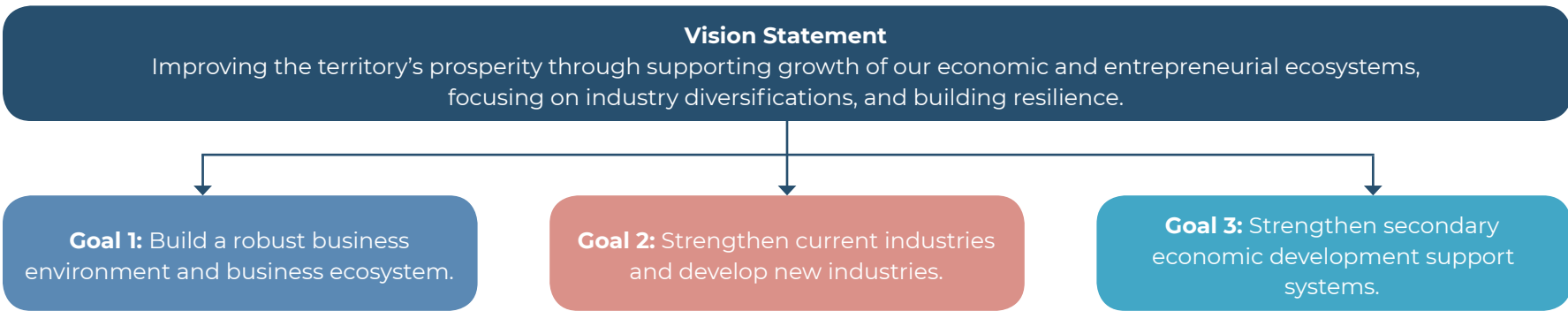


# Strategic Direction & Action Plans

The following section is the direct outcome of an analysis of the territory's development potential as identified through the SWOT analysis. This section aims to answer the question “how do we get there?” by beginning with a clearly defined vision statement regarding the territory's economic development strategy. The vision statement inspired the creation of three (3) comprehensive goals, which in turn have resulted in establishing multiple key objectives required to achieve goals. Additional background information is also presented with each objective below to provide context around each issue. Finally, specific strategies and actions have also been established to help achieve each objective, however these strategies and actions will be located in Appendix C for ease of reference.

The CEDS-AS has adopted the following structure to guide our development efforts:

VISION → GOALS → OBJECTIVES → STRATEGIES → ACTIONS



**FA'AAVEAU (Starfish)** ∞

The *fa'aaveau* is a motif used in three of our main Samoan art forms: tatau, siapo, and woodcarving. The motif appears with four legs or with eight. The *aveau* is usually found on the reef, which is an indicator of a healthy reef. Our resilient reef system remains a critical part of our community and an essential natural resource.

Photo left: Fresh, local seafood on display at the Fagatogo Market.



# GOAL 1: Build a Robust Business Environment and Business Ecosystem



Aoloau lookout over Tafuna Plains.

The term “business environment” generally refers to widely-applied tax policies, laws, and government regulations. These forces are largely outside of an individual business owner’s control, yet can significantly help or hinder a business owner’s ability to operate profitably in their political jurisdiction. While these external factors are typically prescribed dispassionately to businesses in an effort to increase fairness, safety, and to fund public goods and services, history has shown that a one-size-fits-all approach does not always function as originally intended. As such, policy makers must always take business environment factors into consideration, including, but not limited to: political, legal, social, economic, global, competitive, and technological forces. These forces may also include natural disasters, as American Samoa experienced following Cyclone Gita. For a business to succeed and remain sustainable, and for an economy to stabilize or grow, a harmonized business environment and business ecosystem must exist.

American Samoa’s business environment continues to evolve, adjusting to changes at a pace that is in line with the development of our community in general. Improvements have been seen in many areas, however additional work is required. As reported by the Small Business Administration (SBA) in 2017, approximately 50% of new businesses survive the first 5 years<sup>5</sup>. While local data on new business survival rates is not collected,

<sup>5</sup><https://www.sba.gov/sites/default/files/advocacy/Frequently-Asked-Questions-Small-Business-2018.pdf>

it is assumed that poor economic conditions contribute to even lower business survival rates in the territory. The following objectives have been established to continue to optimize the business environment in American Samoa.

*Please note that each objective has specific strategies and actions designed to help achieve the stated objectives. These strategies and actions are outlined in Appendix C.*

## Objective 1: Address the Fair Minimum Wage Act of 2007 and its negative impacts on American Samoa.

The Fair Minimum Wage Act of 2007 (FMWA) was created to improve the standard of living and alleviate poverty in U.S. communities. While the American Samoa Government has a similar mandate, empirical evidence suggests that the minimum wage rate schedule, as prescribed in FMWA, fails to account for the ability of the local economy to absorb base wage rate increases before they occur. Since the passing of FMWA, American Samoa has seen 5 minimum wage increases that have led to significant erosion to the local workforce and the underlying economy. These increases have contributed to the closure of two tuna canneries in less than ten years, displacing over 3,000 direct workers, plus thousands of additional workers in support industries. American Samoa’s competitive advantage

is centered around the territory’s low labor costs. Any effort to improve the territory’s economy through the export of goods and services is explicitly related to appropriate increases to those labor costs.

## Objective 2: Improve efficiency and ease of securing business licenses and other business-related permits.

Business owners face many challenges when it comes to taking a business plan from an idea to implementation. Developing an efficient process to secure the proper licenses, permits, or other requirements plays a key role in creating a business environment that encourages new business development. Examples of local requirements include, but are not limited to, business licenses, land use permits, building permits, certificate of incorporation, foreign permits to operate, special licensures, board approvals (i.e. ABC board), etc.

## Objective 3: Explore options to expand business financing and improve access to capital.

One of the most common reasons for business failure is under capitalization. Many business owners who start new businesses do so without sufficient capital and, as such, find themselves struggling to stay solvent beyond the first year. At present, American Samoa is experiencing a severe lack of access to business capital for start-ups and/or business expansion. Bank of Hawai’i is planning to cease operations in the territory and is no longer providing lending to local



Territorial bank of American Samoa.

individuals or businesses. ANZ Bank does offer commercial loans, but has decelerated business lending in recent years in order to mitigate the risks associated with the current state of the local economy. The Development Bank of American Samoa (DBAS) continues to make small business loans available, however capital resources are prohibitively limited. The newly established Territorial Bank of American Samoa (TBAS) only recently began to accept commercial loan applications.

## Objective 4: Pursue improvements to business services.

A business service is defined as “any customer, partner or user-facing group

of applications, middleware, security, storage, networks and other supporting infrastructure that comes together to enable a comprehensive, end-to-end business process, transaction or exchange of information.” In today’s global business environment, reliable business services are a requirement for a firm’s long-term success. Unfortunately, American Samoa has not kept pace with the development or deployment of modern business services and, as a result, some businesses have fallen behind the technological curve.

As an example, a business owner who would like to use a mobile point of sale system (POS) to transact business in the field (e.g.





Upgrades underway to the 3,000-ton slipway at the Ronald Reagan shipyard.

at a farmer's market or at the cruise ship terminal) will struggle to find a service provider whose services are available in American Samoa. The leading mobile POS companies, like Square or Intuit, do not offer these services in American Samoa, nor do the local banks. Other examples of deficiencies in available business services include a lack of telecommunications network support, cyber security services, data center support, business analytics, search engine optimization (SEO) services, and other information technology (IT) services. The growth and evolution of the local economy will require continuous improvements with business services to compete in the global economy.

#### Objective 5: Formalize the Territorial Investment Guide program.

An investment guide is a critical tool used to communicate business investment opportunities in American Samoa to potential investors or businesses. Such a guide should be easily accessible and describe the advantages of doing business in American Samoa in clear terms. The territory's stated advantages should include, but are not be limited to, low labor costs, an American/English speaking workforce, "Made in the U.S.A." product designation, great quality of life, and economic/tax incentives.

#### Objective 6: Support innovators and entrepreneurs.

Generally speaking, innovators have new ideas and entrepreneurs help these ideas become a reality. In a stagnant or shrinking economy, innovation is usually either scarce or suppressed and the entrepreneurial spirit is tempered. Until recently, American Samoa's remote location and lack of certain resources made the territory a difficult location for budding innovation and entrepreneurship. This is no longer the case. The era of information technology in American Samoa was vastly improved after the American Samoa Government invested nearly \$30 million in the Hawaiiki submarine fiber optic cable, paving the way for the creation of a new, knowledge-based industry. Combined with current STEM (science, technology, engineering, mathematics) initiatives, this new and affordable resource helps lay a foundation for technological innovation and opportunities for entrepreneurs.

#### Objective 7: Capture data more effectively.

Investors, business owners, business managers, and policy makers all require sound and up-to-date data to make informed decisions. This becomes increasingly important in an environment where business opportunities are considered risky, margins are tighter, and resources are limited. Our ability to collect and report data in an efficient manner has long been a

struggle due to a lack of resources, expertise, or other challenges. To compete in a global economy requires that data and information be real-time, reliable and readily available.

#### Objective 8: Eliminate outdated laws or regulations that negatively impact business.

Unnecessary regulations can negatively suppress investment, increase start-up costs, delay progress, or temper the much-needed enthusiasm of a new business owner. Regulations exist in large part to protect consumers, the environment, or to address other concerns, however it is important that non-essential regulations be reviewed regularly to determine continued relevance.

#### Objective 9: Continue to assess government-owned properties to ensure adequate space is available to support business growth.

The territory is a mere 72 square miles. As such, availability of land to establish new businesses or to allow current businesses to expand is limited. Land resources are a premium and, as such, the territory should manage this resource as efficiently as possible.

#### Objective 10: Incentivize local business investment to create jobs and strengthen industry.

The formalizing of the Territorial Investment Guide program (Goal 1, Objective 6) is primarily focused on encouraging external

investment in the territory, or to incentivize foreign and U.S. businesses to relocate to American Samoa. However, similar incentives are needed to encourage local business owners to invest in the ongoing development of new and existing businesses that create jobs and access new revenue streams for the territory.

#### Objective 11: Pursue opportunities that will support efforts to lower costs of doing business.

The cost of doing business refers to all of the operations and input costs incurred by businesses. These expenses are directly tied to a business's ability to remain competitive and to continue to contribute to the broader economy. Expenses, such as the cost of goods, freight, overhead, utilities, fees, taxes and payroll, all impact the profitability of a business. Efforts by local government to decrease costs to businesses would likely yield economic dividends.

#### Objective 12: Address cyber security risks to territory.

In a global economy with a perpetual progression towards digitization of data and processes, technology utilization and data infrastructure in the territory is also evolving and improving. This evolution has opened up new opportunities to the people, businesses, and the government of American Samoa, but new opportunities are frequently accompanied by new dangers. The cyber security landscape continues to change

as new threats and solutions emerge. Even the latest and greatest cyber security measures are prone to rapid obsolescence. It is necessary for businesses, government agencies, and other organizations to adopt effective cyber security technologies to minimize or prevent digital threats or breaches, and to help maintain a strong, unified, digital business ecosystem in American Samoa.



Solar panel farm in Ta'u, Manu'a.



## GOAL 2: Strengthen Current Industries and Develop New Industries.



*I'a Lapo'a Game Fishing Tournament is held in May annually.*

The tuna canning industry has long been the cornerstone of American Samoa's private goods-producing economy. In addition to being the largest private sector employer in the territory, the canneries have been integral to the growth and development of other small businesses that either support the cannery supply chain or provide goods and services to their employees. Over the past 60 years, the tuna canning industry has employed generations of Samoans and supported the operation of the local government through direct and indirect tax contributions. However, an eroding competitive advantage and burdensome restrictions on ocean resources has put the future of the tuna canning industry in American Samoa at risk. As noted previously, under Goal 1, Objective 1, the 2007 Fair Minimum Wage Act has had a devastating impact on private businesses in the territory, including the canneries, which are struggling to remain competitive in the global canned tuna market. Furthermore, reduced access to traditional fishing grounds by way of the federal expansion of ocean monuments and international restrictions on allotted days of fishing in certain parts of the ocean adds to the cost of production as fishing vessels must travel greater distances to catch fish. A number of federal government oversight issues have put additional pressure on the tuna canning industry through onerous regulations and fines imposed by the U.S. Environmental Protection Agency (EPA) and the U.S. Coast Guard. Uncertainty around the future of the tuna canning industry has led to increased

efforts to diversify American Samoa's economy.

One of the positive side effects of the tuna canning industry is a fully-developed ocean freight infrastructure with relatively favorable shipping rates. The high volume of material imports and product exported by American Samoa's last remaining tuna cannery, StarKist, creates economies of scale that essentially freight and fuel costs for other businesses and residents of the territory. This presents an opportunity to more affordably develop new export industries, such as light manufacturing, agribusiness and aquabusiness.

The newly installed Hawaiki submarine fiberoptic cable and recently completed, \$90+ million local fiberoptic network (BLAST project) have bred a renewed optimism around the possibility of developing an Information Communication Technology (ICT) industry or a Business Process Outsourcing (BPO) industry. The territory's upgraded telecommunications infrastructure also provides the opportunity to explore other knowledge-based initiatives, such as telemedicine and E-learning. American Samoa is well positioned to build out its telecommunications industry as the territory has an English (American) speaking workforce with the lowest labor costs in the U.S., even after the recent, federally mandated minimum wage increases. Additionally, American Samoa qualifies as an 'onshoring' location (in the U.S.), along with many other miscellaneous qualities

that benefit call-centers and other BPO operators. Furthermore, telecommuting has grown 115% over the past ten years<sup>6</sup>, driving job creation in internet-related industries, such as customer service, data entry, and sales. Many of these new opportunities are high skilled jobs with more attractive salaries that tend to be accompanied by relatively high economic multipliers.

Reports also show the rise of a movement that has emerged as a result of the rapid expansion of globally-available, high-speed, broadband internet, which has been coined "the gig-economy". This movement is predominantly characterized by shift from traditional occupational arrangements towards a preference for short-term, independent contractor work. These "gigs" typically do not require the contractor to be on location and allow for greater workforce mobility. It is estimated that, by 2020, as many as 40% of all American workers will be independent contractors<sup>7</sup>. American Samoa offers remote workers the ability to live on and operate from a U.S. territory with a pleasant, tropical climate, a relatively favorable cost of living, and the ability to continue to collect a stateside salary. This presents the territory an unprecedented opportunity to create a valuable, new niche industry.

Tourism has long been an industry that is prime for development in American Samoa,

<sup>6</sup><https://www.flexjobs.com/2017-State-of-Telecommuting-US/>

<sup>7</sup>[http://http-download.intuit.com/http.intuit/CMO/intuit/futureofsmallbusiness/intuit\\_2020\\_report.pdf](http://http-download.intuit.com/http.intuit/CMO/intuit/futureofsmallbusiness/intuit_2020_report.pdf)

<sup>8</sup>South Pacific Tourism Organization (SPTO) American Samoa International Visitor Survey 2017



*Tuna purse seiner docked at Ronald Reagan Shipyard, Satala.*

as many neighboring island nations are already experiencing robust growth in their respective tourism sectors. As reported by the South Pacific Tourism Organization (SPTO), tourist arrivals to the region grew by 3.1% between 2016 and 2017. Over that same period, visitor arrivals to American Samoa decreased by 0.3%<sup>8</sup>. There are a number of drivers behind American Samoa's struggles to gain traction in tourism development, including a lack of available development financing for infrastructure improvements, stakeholder coordination, challenges with air transportation (both international and domestic), and a general lack of consensus on prioritization. The 2010 Tourism Masterplan is the primary, relevant planning document for tourism, and

continues to serve as the definitive guide for development in the industry.

*Please note that each objective listed below has specific strategies and actions designed to help achieve the stated objectives. These strategies and actions are outlined in Appendix C.*

**Objective 1: Strengthen fishing & tuna canning industry; aim to diversify where possible.**

Tuna canning, and now tuna pouching, continues to be the territory's primary export, accounting for more than 80% of all goods exports. Collaborative efforts between the remaining cannery, StarKist,



local government, and American Samoa’s Congressional representative have culminated in a unified front that actively advocates for policies that allow the territory’s tuna industry to remain globally competitive, ensuring that the cannery continues to operate in the territory for the foreseeable future. The importance of these ongoing efforts cannot be overstated. Additionally, other opportunities to increase the productivity of our ocean resources must be explored. The fresh fish market remains a viable option and continued work to further develop the market will expand the efficient uses of these ocean resources. Efforts should also continue to support and improve the industry’s local infrastructure, such as improvements to cold storage facilities, modernize the shipyard facility, and upgrade the local fishing fleet.

**Objective 2: Explore and develop new industries, leveraging the BLAST fiberoptic network, Hawaiki submarine cable, and other Information and Communication Technology (ICT) resources.**

Perhaps the single largest development in the modern history of the territory has taken place over the past 4 years. First, the American Recovery and Reinvestment Act funded the BLAST (Broadband Linking American Samoa Territory) project, which financed the installation of a local fiber optic network, with the objective of connecting every home and business in the territory to the internet. Soon after the multi-year, \$90+ million project was

completed in 2015, the American Samoa Government invested approximately \$30 million in the acquisition of a new fiberoptic submarine cable, connecting the territory to the mainland U.S. through the top-of-the-line Hawaiki trans-pacific submarine cable. This new connection increased the territory’s bandwidth from 1 Gbps (via the old American Samoa-Hawai’i or ASH cable) to 200+ Gbps. Together, these two developments have effectively set the stage for the potential creation of new industries.

**Objective 3: Continue the development of the Tourism industry.**

The 2010 Tourism Masterplan is the primary, relevant planning document for tourism, and continues to serve as the definitive

guide for development in the industry. Efforts should be focused on the continued development of tourism infrastructure, programs, and services, with greater effort placed on stakeholder coordination, community involvement, and collaboration. Additionally, the scope of the tourism industry has been rather broad and may benefit from a more focused approach. Tourism includes, but is not limited to, heritage, eco-tourism, food and beverage, adventure, sports, religious, medical, events & conferences, environmental research tourism and more. Development efforts would also benefit from the prioritization of tourism sectors to assist with more effective allocation of available resources.



Cruise ship visiting American Samoa.

**Objective 4: Continue the development of the Agribusiness industry.**

Agriculture has always been a part of the Samoan way of life. Historically, agricultural activity has been largely limited to small-scale farms and subsistence farming. Efforts to improve the territory’s agricultural production capacity on a commercial scale have been ongoing since the early 1960’s when the first agricultural programs were introduced by Governor H. Rex Lee. The territory has made significant headway in developing technologies and farming processes, such as hydroponics. Locally grown produce is now being packaged and sold in supermarkets, supporting import substitution efforts. Diversification of locally-grown crops has also improved over the decades. In addition to the traditional crops of taro, bananas, and breadfruit many farms in American Samoa now also grow eggplant, beans, squash, green onions, bok choy, lettuce, and tomatoes -- many of which are commonly available at most roadside farm stands. Continued efforts to improve efficiency and productivity in these and similar agribusiness activities should be supported. In addition, efforts to produce value-added products (i.e. breadfruit flour, chocolate or cacao-based products) should continue to be explored and pursued. These efforts should also include the cultivation of medicinal herbs and plants. The global herbal medicine market continues to expand as the popularity of the herbal

<sup>9</sup><https://www.marketresearchfuture.com/reports/herbal-medicine-market-3250>



Taro, a staple crop of the Samoan people.

products market has increased in many advanced economies. The global market for herbal products is expected to grow at a compound annual rate of nearly 6% through 2023.<sup>9</sup>

**Objective 5: Continue the development of the Aquabusiness industry.**

Aquaculture is defined as the controlled cultivation and harvest of aquatic plants and animals. By extension, aquabusiness can be defined as the utilization of aquaculture-related activities to support

business development. The Samoan culture has thrived for thousands of years as a result of effective use of ocean resources. Thus far, this long-standing tradition has not translated into successful commercial development of these resources, with the exception of the tuna canneries. Recent advancements in aquaculture technologies and practices, such as open ocean fish farming, have reemphasized the value of the territory’s proximity to ocean environments where these aquaculture techniques could be effectively employed.





Miss Pacific Islands 2017-2018 Matauaina Gwendolyn To'omalatai taking a selfie with friends.

**Objective 6: Continue the development of the Creative industry.**

The Creative industry, which is also commonly referred to as the “Cultural industry”, is the range of economic activities that generally stems from the generation and/or exploitation of knowledge or information. In American Samoa, this has traditionally referred to the creation and sale of cultural goods and services, such as local handicrafts or the presentation of music, dance, or theater for entertainment (siva & pese, luau, etc.). Today, the Creative industry has expanded to cover intellectual property products, including fashion

design, advertising, music, film, software development, gaming, TV, radio, music, animation, and so on. Content being developed at home on a personal computer or on a mobile phone can be instantly uploaded to the internet and monetized. An improved understanding of the prevailing trends in this industry is key in identifying new opportunities for income generation.

**Objective 7: Improve the territory's capacity to identify, pursue, and secure additional federal support through grant and other federal programs.**

Federal program funds and grants provided to the American Samoa Government accounts for more than 20% of the territory's nominal GDP, making those funds critical to the ongoing health of the local economy. The territorial government receives roughly \$23 million, annually, along with the many other non- discretionary grants. Additionally, the federal government offers several other discretionary or competitive grants, plus funding for other projects and programs that can add to the federal stream of dollars fueling the local economy. Improving the local capacity to better monitor, pursue, and compete for these grant funds can add to the federal contribution to our local economy.

**Objective 8: Pursue opportunities to promote light manufacturing opportunities where feasible.**

Previous success in manufacturing goods in the territory for export to the U.S. market have been due, in part, to American Samoa's low labor costs and duty-free entry into the U.S.<sup>10</sup> The textile industry is one example that has already seen some success. Other ongoing efforts to develop this industry are gaining increased interest and should remain a part of the overall economic development strategy.

**Objective 9: Pursue opportunities to transition specific health care services to the private sector where feasible.**

By some accounts, the largest breakthrough in the health care industry will be found through the full deployment and utilization of telehealth and telemedicine, especially for remote communities like American Samoa. Opportunities to leverage the territory's new internet connectivity through public-private partnerships to improve delivery and quality of health care services should be assessed and incorporated into the territory's overall economic development strategy.

**GOAL 3: Strengthen Secondary Economic Development Support Systems.**



Training session on Food Safety Modernization Act.

In addition to improving our business environment, strengthening our primary industries, and improving economic diversification, there are a number of secondary support systems in the territory that require additional support. While the following objectives refer to secondary systems or initiatives, many of the underlying components can be just as important as those in the primary initiatives.

*Please note that each objective listed below has specific strategies and actions designed to help achieve the stated objectives. These strategies and actions are outlined in Appendix C.*

**Objective 1: Improve Workforce Development initiatives to better prepare workforce.**

A critical element of our economic development strategy is the continued effort to develop human resources to meet the growing needs of the economy. Cultivating a highly-trained workforce enhances the territory's socio-economic stability and primes the economy for growth. Typically, workforce development duties and responsibilities fall under state government agencies. However, in a small, insular economy, efforts to build a strong workforce are often more efficient when ownership of such development is shared by both the public and private sectors. In addition, for the past several years, efforts to educate and prepare the youth of American Samoa for postsecondary progression has primarily leaned towards traditional 4-year

university degrees, and has largely ignored training opportunities in trade professions. A redesigned approach must incorporate work-based learning strategies that align with the territory's economic development plans. Key areas of focus include STEM, business, hospitality, and customer service programs.

**Objective 2: Improve Financial Literacy of community to improve our capacity to plan and manage our overall financial well-being.**

The financial literacy, or financial knowledge, of a developing state or territory can play a key role in the long-term growth and resilience of the underlying economy. Understanding the benefits of budgeting, saving, investing, financial planning, and moving away from a cash-based society can strengthen the territory's fiscal foundation and build financial management capacity. American Samoa's local banking institutions play a key role in promoting this initiative, however local government, NGOs (Non-Governmental Organizations), and other stakeholders are equally important stakeholders in this initiative.

**Objective 3: Create synergy through improved coordination, communication, and cooperation between Federal & Local governments.**

Issues that are discussed or actions that take place at the national level can, at times, have unintended results in communities like American Samoa. As an example, Goal 1

<sup>10</sup>General Headnote 3(a) 19 CFR Part 7. 19 CFR Part 7. <https://www.law.cornell.edu/cfr/text/19/7.3>





*King tides impacting shorelines at Lions Park, Tafuna.*

Objective 1 speaks to the decisions regarding a federal minimum wage mandate that has had a tremendously negative impact on the territory's economy. This is just one of many instances in which federal policies have yielded similar negative externalities. The State Small Business Credit Initiative (SSBCI), which came about as a result of

the Jobs Act of 2010, was initially a great idea, but was implemented without fully considering the challenges that exist in smaller, insular communities. Rigid federal policy applied to jurisdictions with unique, local economic conditions has resulted in missed opportunities for jurisdictions like American Samoa. Another program that could have had a positive impact on economic development efforts in the territory is the EB5 Program, which was specifically designed to encourage foreign investment and to create jobs in underserved communities like American Samoa. Unfortunately, ambiguities in the EB5 statute prevents the territory from participating in the program. A similar language issue is also seen in the Community Development Financial Institution (CDFI) Natives program where language in the statute excludes American Samoans. The U.S. cabotage laws are another example of dispassionate federal regulations that were intended to protect U.S. businesses and workers, but have had unintentional, negative impacts on many small, U.S. jurisdictions.

**Objective 4: Mobilize and encourage non-governmental organizations (NGOs) to participate in economic development strategies.**

NGOs can play a key role in the implementation of this economic development strategy. As such, the importance of fostering and advancing private-public partnerships cannot be overstated. The territory has a wealth of

largely untapped resources available in many of these organizations. These groups include, but are not limited to, the American Samoa Chamber of Commerce (ASCOC), various industry associations, military veterans, faith-based groups, ethnic groups, and other non-profit organizations. The efficacy of this economic development strategy fundamentally depends on the effective utilization of all available resource. Additionally, the ability to successfully adopt a more collective approach to economic development is paramount, especially in a small, community-based, island territory.

**Objective 6: Support collaborative efforts to address socioeconomic and/or environmental issues that have an adverse impact on our ability to support economic development objectives.**

The overall physical, socioeconomic, and environmental well-being of a community is necessary for the sustainable development of a productive local economy that provides ample education and work opportunities for its citizenry. At present, American Samoa is facing an obesity and drug epidemic, both of which have significant implications for the future of the territory. In addition, climate change is a growing risk, leading to the erosion of shorelines and a gradual loss of other natural resources. Efforts to address these issues should be integrated into all development plans.

*Photo right: Aunu'u Island tide pool.*







# Evaluation Framework

The CEDS-AS evaluation framework will serve as a mechanism to gauge the progress of successful execution and implementation of our strategies. Periodic reports on progress will be developed to ensure that the CEDS-AS remains a relevant and effective tool for improving the economy of the territory. Both qualitative and quantitative measures will be tracked, with an emphasis on metrics that are measurable and time-specific.

To establish a baseline, the CEDS-AS workgroup will utilize datasets contained within the 2017 American Samoa Statistical Yearbook as benchmarks. Key indicators that will be measured and tracked include, but are not limited to:

1. Gross Domestic Product (GDP)
2. Unemployment Rate
3. Population changes
4. Private Nonfarm Employment, by industry
5. Local and Federal Government Employment
6. Average income per capita
7. Secondary education completion rates
8. Tertiary education completion rates

Other metrics may be established and benchmarked after CEDS-AS strategy implementation begins. As an example, ASG DOC plans to develop an annual business survey to gather employment and business utilization data, which is a useful leading indicator of many business cycle

fluctuations. Quarterly and annual reporting will also be conducted by ASG DOC to capture the overall performance of the economy.



Young Samoan serving ava to visitors.



## Fa'aatualoa (centipede)

The *fa'aatualoa* is a motif used in three of our main Samoan art forms: tatau, siapo, and woodcarving. It is associated with hardship and long suffering because of its sting, however this motif along with the *fa'aanufe* (worm) also references the richness of our soil, an essential element of our agricultural industry.

Photo left: NOAA research vessel Okeanos Explorer control center.





# Resilience

A key component to successfully developing the territorial economy is integrating long-term resiliency as a primary goal. Resiliency planning mitigates many risks associated with unanticipated global, regional, and territorial events that could undermine progress in even the most irrepressible economies. Planning with resiliency in mind is a critical element of a sustainable economic development strategy. As such, the CEDS-AS implementation phase will encourage stakeholders to seek solutions that build resilience into our economic systems.

As previously noted, American Samoa was struck by Cyclone Gita on February 9, 2018. As the territory worked to rebuild and recover from the devastation, a FEMA-led project was introduced that seeks to change the territory's view or approach to disaster

recovery. The aim of the program is to ensure that the territory is better positioned to withstand and recover from the impacts of a natural disaster by focusing on building a more resilient territory. This effort has resulted in the development of the American Samoa Resiliency Strategy Development Plan (ASRSDP).

At the time of publishing the CEDS-AS, an interagency territorial workgroup has been tasked with drafting the ASRSDP and has developed a comprehensive strategy to strengthen and build additional resilience into key infrastructure systems, including:

1.

Power

2.

Water

3.

Telecommunication

4.

Health

5.

Transportation
6.

Food

7.

Housing

8.

Financial

9.

Education

10.

Cultural & Historic

The initiative is being led by the Governor's Office and the Department of Commerce, with key contributions coming from Department of Homeland Security (DHS), American Samoa Power Authority (ASPA), American Samoa Telecommunications Authority (ASTCA), Department of Public Works (DPW), Department of Education (DOE), Department of Health and Social Services (DHSS), Department of Health (DOH), LJB Tropical Medical Center, and other key agencies. Once complete, the CEDS-AS workgroup will utilize key strategies developed in the ASRSDP that support improved economic resilience.



## Fa'alaupaogo (Pandanus leaves)

The source of this motif is the Pandanus tree. The tree is used for important needs in the Samoan culture such as weaving the sails for our canoes, weaving mats for ceremonies and our homes, making keys to create an *ula* (long necklace) for wear & brushes to paint our *siapo*. The versatility of the pandanus tree along with its durability and resilient nature make it a vital part of the Samoan culture.

Photo left: Pandanus trees along the Vaitogi village coastline; Rainmaker Mountain in the distance.

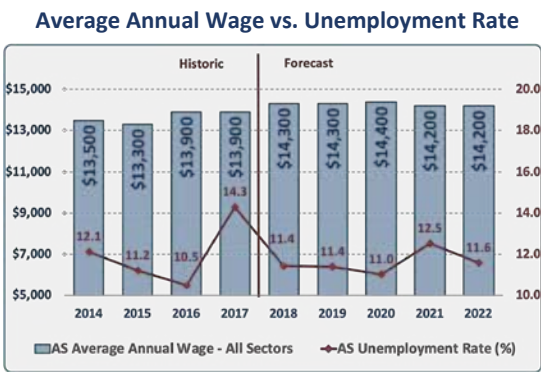


APPENDICES

Appendix A



American Samoa  
Economic Forecast  
2019



Features

Baseline and Alternative Forecasts for 2018 – 2022

FRBSF Article: Nonmanufacturing as an Engine of Growth by Huiyu Li

Lolo Matalasi Moliga, Governor  
American Samoa Government

Keniseli Lafaele, Director  
American Samoa Department of Commerce

The 2019 American Samoa Economic Forecast can be read in its entirety at the following link:  
<http://doc.as.gov/american-samoa-economic-forecast-2019-2/>

Pala Lagoon, Nu'uuli village.

Appendix B

EMPLOYEE RIGHTS  
UNDER THE FAIR LABOR STANDARDS ACT

FEDERAL MINIMUM WAGE  
IN AMERICAN SAMOA

BY INDUSTRY

<b>FISH CANNING AND PROCESSING AND CAN MANUFACTURING</b> \$5.16 beginning September 30, 2015   \$5.56 beginning September 30, 2018	<b>SHIP MAINTENANCE</b> \$5.41 beginning September 30, 2015   \$5.81 beginning September 30, 2018
<b>SHIPPING AND TRANSPORTATION</b> <i>CLASSIFICATION A:</i> <b>STEVEDORING, LIGHTERAGE, AND MARITIME SHIPPING AGENCY ACTIVITIES</b> \$5.99 beginning September 30, 2015   \$6.39 beginning September 30, 2018 <i>CLASSIFICATION B:</i> <b>UNLOADING OF FISH</b> \$5.82 beginning September 30, 2015   \$6.22 beginning September 30, 2018 <i>CLASSIFICATION C:</i> <b>ALL OTHER ACTIVITIES</b> \$5.78 beginning September 30, 2015   \$6.18 beginning September 30, 2018	<b>BOTTLING, BREWING, AND DAIRY PRODUCTS</b> \$5.09 beginning September 30, 2015   \$5.49 beginning September 30, 2018
<b>TOUR AND TRAVEL SERVICES</b> \$5.38 beginning September 30, 2015   \$5.78 beginning September 30, 2018	<b>PRINTING</b> \$5.40 beginning September 30, 2015   \$5.80 beginning September 30, 2018
<b>PETROLEUM MARKETING</b> \$5.75 beginning September 30, 2015   \$6.15 beginning September 30, 2018	<b>FINANCE AND INSURANCE</b> \$5.89 beginning September 30, 2015   \$6.29 beginning September 30, 2018
<b>CONSTRUCTION</b> \$5.50 beginning September 30, 2015   \$5.90 beginning September 30, 2018	<b>PRIVATE HOSPITALS AND EDUCATIONAL INSTITUTIONS</b> \$5.23 beginning September 30, 2015   \$5.63 beginning September 30, 2018
<b>HOTEL</b> \$4.90 beginning September 30, 2015   \$5.30 beginning September 30, 2018	<b>GOVERNMENT EMPLOYEES INDUSTRY</b> \$4.81 beginning September 30, 2015   \$5.21 beginning September 30, 2018
<b>RETAILING, WHOLESALING, AND WAREHOUSING</b> \$5.00 beginning September 30, 2015   \$5.40 beginning September 30, 2018	<b>MISCELLANEOUS ACTIVITIES (INCLUDES DOMESTIC WORK)</b> \$4.60 beginning September 30, 2015   \$5.00 beginning September 30, 2018
	<b>GARMENT MANUFACTURING</b> \$4.58 beginning September 30, 2015   \$4.98 beginning September 30, 2018
	<b>PUBLISHING</b> \$5.53 beginning September 30, 2015   \$5.93 beginning September 30, 2018

The Fair Minimum Wage Act of 2007 (Public Law 110-28), as amended, applies the minimum wage rates shown above to industries in American Samoa. This law also provides for additional increases in the minimum wage of \$0.40 per hour to occur every three (3) years (e.g. 2018, 2021, 2024, etc.) on September 30, until reaching the minimum wage generally applicable in the U.S.

The law requires employers to display this poster where employees can readily see it.



WHD  
WAGE AND HOUR DIVISION  
UNITED STATES DEPARTMENT OF LABOR

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# Appendix C

## GOAL 1: Build a Robust Business Environment and Business Ecosystem

Objective 1: Address the Fair Minimum Wage Act of 2007 and its negative impacts on American Samoa.

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Return minimum wage decision making to local level	<b>Action 1.</b> Establish a new Special Industry Committees to establish a locally developed minimum wage structure; no authority initially but will publish regular reports with recommendations to ASG and Fono. <b>Action 2.</b> Create coalition with other territories who are facing the same struggles. <b>Action 3.</b> Coordinate government affairs (lobbying) between ASG, StarKist, AS Delegate to Congress.	GO DEL LA TREAS DOC FONO ASCOC	Ongoing

Objective 2: Improve efficiency and ease of securing business licenses and other business-related permits.

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Implement Process Improvement Initiative geared specifically at business-related permits, licenses.	<b>Action 1.</b> Create Steering Committee comprised of relevant stakeholders. <b>Action 2.</b> Identify and prioritize processes that are to be reviewed and improved upon. <b>Action 3.</b> Undertake Process Review. <b>Action 4.</b> Implement committee recommendations. NOTE: Automate processes where feasible.	DOC TREAS DPW	2019-2020
<b>Strategy 2:</b> Implement Process Improvement Initiative geared specifically at immigration-related processes.	<b>Action 1.</b> Create Steering Committee comprised of relevant personnel. <b>Action 2.</b> Identify and prioritize processes that are to be reviewed and improved upon. <b>Action 3.</b> Undertake Process Review. <b>Action 4.</b> Implement committee recommendations.	LA DOC ASVB	2019-2020
<b>Strategy 3:</b> Aim to automate processes whenever feasible.	<b>Action 1.</b> Improve ASG's capacity to support IT solutions.	GO TREAS DOC	Ongoing
<b>Strategy 4:</b> Develop Balanced Scorecards (or similar reporting mechanism) for each process being improved upon.	<b>Action 1.</b> Establish specifics Time In Process (TIP) goals. <b>Action 2.</b> Developing reporting mechanisms to allow for real-time updates.	DOC LA TREAS DPW	2019-2020

Objective 3: Explore options to expand business finance and improve access to capital.

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Encourage development of revolving loan funds or microlenders to take advantage of programs geared at supporting underserved communities.	<b>Action 1.</b> Garner support from local banks, financial institutions, Small Business Development Center, and Chamber of Commerce to address need for RLFs. <b>Action 2.</b> Identify existing or create new NGOs to develop new RLFs. <b>Action 3.</b> Identify all RLF capitalization resources available through federal programs or other resources. <b>Action 4.</b> Provide technical support throughout development process.	DOC SBDC ASCOC	2019-2020
<b>Strategy 2:</b> Pursue development of Community Development Financial institutions (CDFIs) to access program resources.	<b>Action 1.</b> Garner support from local banks, financial institutions, Small Business Development Center, and Chamber of Commerce to address need for CDFIs. <b>Action 2.</b> Identify existing or create new NGOs to develop new CDFIs. <b>Action 3.</b> ASG DOC to provide technical support throughout development process.	DOC SBDC ASCOC	2019-2020
<b>Strategy 3:</b> Explore opportunities to encourage financial technologies (FinTec) companies to add American Samoa to their service locations.	<b>Action 1.</b> Establish workgroup with representation from relevant organizations. <b>Action 2.</b> Create list of all know fintech companies who currently serve communities in the region or other U.S. Territories. <b>Action 3.</b> Engage list of fintech companies to determine what is required for them to expand service areas to include American Samoa.	DOC TREAS LA ASCOC SBDC	2019-2020
<b>Strategy 4:</b> Encourage development of private equity Investment Funds domiciled in AS.	<b>Action 1.</b> Create an Advisory Council from relevant organizations to establish the American Samoa Diaspora Investment Fund or similar entity; goal is to create an investment fund whose priority is investing in development projects in American Samoa; equity raise is to be sourced through Samoans or non-Samoans from all over the world who have an interest in supporting the improved quality of life in the territory.	GO DOC LA TREAS OSA	2019-2020; ongoing
<b>Strategy 5:</b> Formalize foreign investment program for American Samoa per ASCA Title 27 Chapter 26.	<b>Action 1.</b> Establish team from relevant ASG agencies to initiate the creation of foreign investment program. <b>Action 2.</b> Include budget and funding requirements in 2019-2020 budget cycle per ASCA Title 27 Chapter 26.	GO LA DOC OB	June 2019



Strategy	Action	Action Assigned To	Target Date
<b>Strategy 6:</b> Build local capacity in the area of development finance to ensure all resources to finance development projects are leveraged effectively and for the long-term. This includes, but is not limited to, Opportunity Zones Program, New Market Tax Credit Program, EB5 program, State Small Business Credit Initiative (SSBCI), all CDFI programs, and others.	<b>Action 1.</b> Continue staff development by attending workshops, seminars, webinars as they become available. <b>Action 2.</b> Build partnerships with federal level agencies that oversee and administer these programs. <b>Action 3.</b> Collaborate with other States and/or Territories in leveraging these resources.	DOC	Ongoing

#### Objective 4: Pursue improvements to business services.

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Identify business services needs and where gaps currently exist and pursue solutions.	<b>Action 1.</b> Collaborate with AS Chamber of Commerce, SBDC and industry leaders to identify what business services gaps exist; develop programs to fill gaps.	ASCOC SBDC DOC TREAS DEL	2019-2020

#### Objective 5: Formalize the Territorial Investment Guide (TIG).

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Create workgroup that will update and formalize the Territorial Investment Guide program.	<b>Action 1.</b> Conduct a competitive analysis to establish our position as it relates to other small island developing states in the region. <b>Action 2.</b> Develop a new Territorial Investment Guide, including all incentives, to highlight investment opportunities in American Samoa. <b>Action 3.</b> Develop effective marketing strategy, which should include but not be limited to direct marketing, online advertising, and other proven methods. <b>Action 4.</b> Ensure process is developed to update the investment guide annually. <b>Action 5.</b> Publish Territorial Investment Guide on line with branded URL.	GO DOC ASVB TREAS	2019-2020

#### Objective 6: Support innovators and entrepreneurs.

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Establish a territory-wide initiative advocating for and promoting innovation and the entrepreneurial spirit.	<b>Action 1.</b> Create coalition between Chamber of Commerce, Small Business Development Center, ASG Dept. of Commerce, and ASCC Business Program to establish the American Samoa Office of Innovation (ASOI). <b>Action 2.</b> Establish agreements with private sector partners in relevant industries to support ASOI. <b>Action 3.</b> Partner with current STEM initiative stakeholders to correlate STEM project development to business and entrepreneurial opportunities.	GO DOC ASCC SBDC ASCOC ASTCA ASPA	Ongoing
<b>Strategy 2:</b> Support development of business incubators & business accelerators.	<b>Action 1.</b> Develop a Commercial Kitchen as next step to the completed and EDA-funded Commercial Kitchen feasibility study. <b>Action 2.</b> Develop technology-focused business incubators or accelerators. <b>Action 3.</b> Continue to improve and support DOC Small Business Incubator program at Fagatogo Marketplace.	DOC SBDC ASTCA ASPA	2019-2020 Ongoing
<b>Strategy 3:</b> Host expositions and forums that support innovative & entrepreneurial thinking.	<b>Action 1.</b> Develop a calendar of events around relevant dates to hold expos. <b>Action 2.</b> Identify Samoan subject matter experts throughout the world and invite them to speak and encourage innovation in respective fields. <b>Action 3.</b> Host these events on line via social media sites (YouTube, Facebook, etc.) via the ASOI.	ASVB DOC ASCOC OSA	2019-2020 Ongoing
<b>Strategy 4:</b> Promote collaboration between 2-Samoas Chambers of Commerce and Ministries/Dept. of Commerce.	<b>Action 1.</b> Continue to hold annual Flag Day Business Festivals (BizFest) to support business community. <b>Action 2.</b> Encourage government and private sector to accept invitations to Samoa in support of Business Festivals or other similar activities to share experiences and learn.	GO ASCOC DOC	Ongoing
<b>Strategy 5:</b> Follow development of new trends in business to ensure our local business community can capitalize on development and opportunities.	<b>Action 1.</b> Develop program to hold regular roundtables to discuss emerging business trends (i.e. consolidation of enterprise technology, artificial intelligence, blockchain developments, gig economy, etc.) and opportunities to start, expand, or improve businesses in these areas.	DOC ASCOC SBDC ASTCA ASPA LBJ DOH ASCC DOE	Ongoing



Objective 7: Capture data more effectively.

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Conduct an in-depth Process Improvement Review of the Statistical Act (ASCA Title 13 Chapter 21) to ensure that the Department of Commerce Statistics Division has capacity and resources to collect, tabulate, compile, analyze, publish and report all official statistics covering social, economic and demographic fields as required for the purpose of making policy decisions; and to carry out the purposes of this Act; and to conduct pertinent censuses and surveys.	<b>Action 1.</b> Identify Project Sponsor. <b>Action 2.</b> Compile a cross-functional Project Team with key stake holders from all appropriate departments, agencies, or organizations. <b>Action 3.</b> Initiate Process Improvement Review program.	DOC TREAS LA	2019-2020

Objective 8: Eliminate outdated laws or regulations that impact businesses negatively.

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Establish working committee to review AS Code Annotated to identify opportunities to improve business environment.	<b>Action 1.</b> Designate project sponsor; executive level. <b>Action 2.</b> Create work group with key stakeholders. <b>Action 3.</b> Segment strategy to review laws that impede efficiency of doing business, fees, immigration, and other key factors.	GO LA TREAS	2019-2020
<b>Strategy 4:</b> Conduct a process improvement review of all boards/ commissions to improve efficiency and effectiveness.	<b>Action 1.</b> Designate project sponsor; executive level. <b>Action 2.</b> Create work group with key stakeholders. <b>Action 3.</b> Conduct process improvement review of all boards/ commissions. <b>Action 4.</b> Implement committee recommendations.	GO LA TREAS DOC	2019-2020

Objective 9: Continue to assess government owned properties to ensure adequate space is available to support business growth.

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Continue to improve ongoing efforts to consolidate ASG properties and asset management.	<b>Action 1.</b> Modernize property database that captures all ASG properties and assets; integrate into current systems if possible.	DOC TREAS	2019-2020 Ongoing

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 2:</b> Identify and prioritize ASG properties to be developed for business purposes.	<b>Action 1.</b> Ensure all property is surveyed and properly documented. <b>Action 2.</b> Establish list of potential development projects for each property to be developed; list in order of priority.	DOC ADMIN	2019
<b>Strategy 3:</b> Create development plans/ designs for properties prioritized in Strategy 2.	<b>Action 1.</b> Develop high level development packages for investors review. <b>Action 2.</b> Make development packages available via the TIG website.	DOC DPW	2019-2020 Ongoing
<b>Strategy 4:</b> Develop standard formula that determines fair market rates for ASG properties.	<b>Action 1.</b> Conduct a market study to determine current and historic rates for ASG properties. <b>Action 2.</b> Develop a standard formula or practice to manage lease rates going forward.	DOC	2019-2020

Objective 10: Incentivize local business investment to create jobs and strengthen industries.

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Establish a Business Growth Incentives Program.	<b>Action 1.</b> Evaluate the establishment of a program that includes a performance-based incentive, which may feature incentives like tax credits on new Territorial revenues generated by companies seeking to expand in American Samoa by adding new, qualifying jobs. <b>Action 2.</b> Improve marketing of and access to current workforce development training reimbursement programs via ASG HR. <b>Action 3.</b> Evaluate the establishment of a program that offers tax credits on all new depreciable, tangible, personal property (machinery and equipment) used in American Samoa. <b>Action 4.</b> Evaluate the establishment of a program that offers a tax credit in key industries like Information & Communications Technology (ICT), Tourism, Health Care, Fishing, Aquaculture, and others.	DOC TREAS HR	2019-2020
<b>Strategy 2:</b> Government to continue to invest in infrastructure that support industry development.	<b>Action 1.</b> Invest in improvements to airport & seaport facilities. <b>Action 2.</b> Invest in improvements to tourism infrastructure. <b>Action 3.</b> Invest in improvement to docks, wharfs, shipyard and other infrastructure needs of fishing industry. <b>Action 4.</b> Invest in improved access and access roads to rural areas, including Manu'a and Swains Islands, for agribusiness and aquabusiness development.	DPA DPW DOC ASVB ASSSA DOA	Ongoing



Strategy	Action	Action Assigned To	Target Date
<b>Strategy 3:</b> Explore options to promote or incentivize import substitution.	<b>Action 1.</b> Explore excise tax reductions or rebate programs for imported materials that result in local production of goods.	GO TREAS LA DOC	2019-2020

**Objective 11: Pursue opportunities that will support efforts to lower costs of doing business.**

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Continue to pursue ASG renewable energy goal of achieving 100% renewable energy by 2025.	<b>Action 1.</b> Pursue PPA agreements with appropriate investors or parties for renewable energy projects.	ASPA	Ongoing
<b>Strategy 2:</b> Conduct a review of taxes and fees paid by businesses to determine if they benefit or are detrimental to the territory in the long term.	<b>Action 1.</b> Create workgroup that will identify all fees and all taxes paid by businesses. <b>Action 2.</b> Conduct reviews of each tax/fee identifying current use/ allocation and whether fee is appropriate or not. <b>Action 3.</b> Make recommendations to ASG leadership in findings.	GO LA TREAS DOC	2019-2020 Ongoing
<b>Strategy 3:</b> Identify grant programs that can offset business costs.	<b>Action 1.</b> Review all current known federal grant programs that allow for-profit enterprises to apply. <b>Action 2.</b> Develop resource warehouse, listing programs and resources available to pursue grants to support business operations.	DOC SBDC ASCOC	Ongoing
<b>Strategy 4:</b> Review current contract laws to ensure lenders who use or would like to use long-term communal land leases as collateral (for mortgages as an example) are able to be supported and enforced by our courts.	<b>Action 1.</b> Create a work group with appropriate stakeholders to conduct an assessment of current state of affairs; provide input and recommendations to ASG leadership.	GO LA DOC	2019-2020

**Objective 12: Address cyber security risks to territory.**

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Activate cyber security task force and revisit membership to include all relevant public and private stakeholders.	<b>Action 1.</b> Revisit Executive Order to include key public and private agencies comprising a panel and supporting agencies. <b>Action 2.</b> Forge better public-private partnerships for the purpose of strategic collaboration and leveraging of resources. Action 3. Attendance of key panel member/representatives at a national cybersecurity summit.	ASDHS ODAPM TREAS ASCC LBJ ASPA DPS TBAS USAR	2019-2020 Ongoing
<b>Strategy 2:</b> Conduct vulnerability assessments of territory's critical infrastructure.	<b>Action 1.</b> Provide cybersecurity training opportunities for relevant stakeholder members and supporting staff. <b>Action 2.</b> Plan Cyber Security table top and full-scale exercises involving key federal and local stakeholders <b>Action 3.</b> Drafting of Territorial Cybersecurity Vulnerability Assessment Report.	ASDHS ODAPM TREAS ASCC LBJ ASPA DPS TBAS USAR	2019-2020
<b>Strategy 3:</b> Mitigate cyber threats and vulnerabilities in the territory.	<b>Action 1.</b> Identify mitigation and cybersecurity funding opportunities to address cyber threats and vulnerabilities. <b>Action 2.</b> Prioritize the 3-5 major cyber threats and relevant critical infrastructure. <b>Action 3.</b> Incorporate cyber security threats assessment into hazard mitigation plan to track implementation, review, and updates.	ASDHS ODAPM TREAS ASCC LBJ ASPA DPS TBAS USAR	Ongoing



GOAL 2: Strengthen Current Industries and Develop New Industries.

Objective 1: Strengthen fishing & tuna canning industry; aim to diversify where possible.

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Pursue permanent approval of American Samoa Economic Development Credit (ASEDC); modify to include other potential investors and industries.	<b>Action 1.</b> Establish work group with relevant stakeholders to update and continue development of American Samoa's position statement on the ASEDC. <b>Action 2.</b> Work through American Samoa's Delegate to U.S. House of Representatives to keep message front and center.	GO LA DOC DEL ASCOC	Ongoing
<b>Strategy 2:</b> Advocate for the return of fishing rights for American Samoa that were curtailed by the Pacific Remote Islands National Monument.	<b>Action 1.</b> Continue to work in partnership with Western Pacific Regional Fisheries Management Council (WPRFMC), American Samoa's Delegate to U.S. House of Representatives, and StarKist for the protection of American Samoa fishing rights.	GO LA DMWR DOC ASCOC	Ongoing
<b>Strategy 3:</b> Pursue the return of minimum wage decision making to local level. (see also Goal 1, Objective 1, Strategy 1).	(See also Goal 1, Objective 1, Strategy 1).	GO DEL LA TREAS DOC FONO ASCOC	Ongoing
<b>Strategy 4:</b> Continue to develop and upgrade infrastructure to support growth in local fishing fleet and fishery.	<b>Action 1.</b> Implement continued improvements to Ronald Reagan Shipyard. <b>Action 2.</b> Identify and prioritize harbor, wharf, and dock improvements and needs. <b>Action 3.</b> Pursue improvements to airport facilities to support fresh fish export initiative.	PA ASSSA DOC ASCOC DMWR	Ongoing
<b>Strategy 6:</b> Diversify fisheries strategy to include, but not limited to, fresh fish market (local and export), aquaculture, nearshore fish farms (giant clams, sea cucumbers, etc.) and others.	<b>Action 1.</b> Developing financing strategies for local fishermen to purchase modern fishing vessels. <b>Action 2.</b> Conduct workforce development training to improve workforce capacity. <b>Action 3.</b> Conduct feasibility study on other business opportunities that can capitalize on access to ocean resources. <b>Action 4.</b> Pursue development of sectors that are identified in feasibility study.	DMWR DOC ASCOC OSA	Ongoing

Objective 2: Explore and develop new industries, leveraging the BLAST fiberoptic network, Hawaiki submarine cable, and other Information and Communication Technology (ICT) resources.

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Develop a Territorial Broadband Strategy (TBS) to support growth and development of a knowledge-based industry in American Samoa.	<b>Action 1.</b> Identify key personnel to sponsor initiative. Limit sponsors to executive level leadership positions, no more than 2. <b>Action 2.</b> Compile project team with participation from key industries and industry stakeholders such as American Samoa Telecommunications Authority (ASTCA) - Government owned telecommunications authority; Blue Sky Telecommunications - Largest private sector telecommunications company; Department of Health - Currently engaged in Telehealth and Telemedicine projects; LBJ Tropical Medical Center - Currently engaged in Telehealth and Telemedicine projects; American Samoa Community College - Distance learning stakeholder; Department of Education - Distance learning stakeholder; Chamber of Commerce - Potential business development opportunities. <b>Action 3.</b> Develop strategy to address short and long-term objectives. As a key component of the TBS, identify permanent funding sources to support maintenance and upgrades to telecommunications infrastructure.	GO DOC ASTCA ASCOC LBJ DOH DOE ASCC	2019-2020
<b>Strategy 2:</b> Support and enhance telehealth & telemedicine initiatives at LBJ Tropical Medical Center and Dept. of Health Community Health Centers.	<b>Action 1.</b> Prioritize the development of supporting infrastructure to implement and increase delivery of telehealth and telemedicine services. <b>Action 2.</b> Include jobs that specialize in or support telehealth/telemedicine in all workforce development programs. <b>Action 3.</b> Develop telehealth/telemedicine specific growth and marketing plan as part of Territorial Broadband Strategy with goal of American Samoa becoming a central regional hub for enhanced medical care via telemedicine program.	GO DOC LBJ DOH ASTCA ASCOC	2019-2020
<b>Strategy 3:</b> Hold regular expos, promoting use of technology to create jobs and support business growth; extend to all STEM areas.	<b>Action 1.</b> Highlight industry trends and opportunities such as Internet of Things (IoT), blockchain technology, Gig economy, artificial intelligence, autonomous devices, enhanced edge computing, robotics, etc. <b>Action 2.</b> Explore viability of entry into R&D space, leveraging existing partnerships with stateside universities and other partners. <b>Action 3.</b> Identify Samoan (or non-Samoan) subject matter experts throughout the world and invite them to speak and encourage innovation in respective fields.	DOC SBDC ASCOC ASTCA	2019-2020  Ongoing
<b>Strategy 4:</b> As part of Territorial Investment Guide, develop industry specific targeted marketing plan to identify and recruit ICT/BPO operators to American Samoa.	<b>Action 1.</b> Include the development of an industry specific website/portal dedicated to the recruitment of ICT/BPO companies. <b>Action 2.</b> Collaborate with ISPs to develop and implement marketing strategy. <b>Action 3.</b> Develop proof of concept to use as marketing leverage.	DOC ASTCA ASCOC	2019-2020



Strategy	Action	Action Assigned To	Target Date
<b>Strategy 5:</b> Promote an environment where new Internet Service Providers can be established in the interest of a free, open, and competitive market.	<b>Action 1.</b> Consider opening access to local fiber optic network (BLAST) to private ISPs (Internet Service Providers) to improve competition, quality of service. <b>Action 2.</b> Establish programs whereby small, locally-owned start-ups can enter market, afford access to BLAST, and eventually become fully self-sufficient.	GO ASTCA LA DOC	2019-2020
<b>Strategy 6:</b> Continue to explore opportunities to add redundancy to telecommunications infrastructure.	<b>Action 1.</b> Follow all regional developments regarding submarine fiber optic cables i.e. Manatua, Southern Cross Next, and others. <b>Action 2.</b> Promote American Samoa as an ideal location to land major cables for further access and penetration into the region. <b>Action 3.</b> Explore viability of encouraging federal government to invest in a direct submarine cable from American Samoa to California/west coast in the interest of national security and defense.	DOC ASTCA ASCOC	2019-2020 Ongoing

Objective 3: Continue the development of the Tourism industry.

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Prioritize development of tourism infrastructure.	<b>Action 1.</b> Pursue continued airport and seaport improvements and new developments. These would include, but not be limited to: airport terminal, arrival area, jet bridges or walkways, commercial spaces, fixed base operator (FBO), docks, wharfs, marina, and others. This also includes conducting a feasibility study on developing a cruise ship pier. <b>Action 2.</b> Establish a visitor's center at or near the Pago Pago port in the Historic Fagatogo district. Visitor's center should include tourism incubator program <b>Action 3.</b> Establish a visitor-site development program; this would include the development of a tourism asset map that identifies all potential visitor sites as well as a development mechanism (funding) to make sites visitor-ready. <b>Action 4.</b> Incentivize the development of new accommodations to improve room capacity (see Goal 1, Objective 10). <b>Action 5.</b> Pursue continued development of iconic tourism draws i.e. aerial tramway. <b>Action 6.</b> Pursue modifications or waiver to U.S. cabotage laws as it relates to air transport into the territory. <b>Action 7.</b> Review local transportation systems to ensure visitor safety, i.e. alias, buses, and taxis; implement steps to address any concerns.	DPA ASVB DOC OSA DPS	2019-2020

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 2:</b> Utilizing the 2010 Tourism Master Plan as a guide, develop streamlined strategies for priority tourism sectors: Eco-tourism, Adventure Tourism, Heritage Tourism, Sports Tourism, Food & Beverage Tourism, Events & Conferences, Environmental Research, and others.	<b>Action 1.</b> Eco-tourism strategy to include formation of a local Trail Crew as part of ASG; formation of an American Samoa National Preserve program; development of resources for wetlands preservation and improvements, improved coordination with National Park Service and National Marine Sanctuary of American Samoa, Office of Samoan Affairs, and others. <b>Action 2.</b> Adventure tourism strategy to include development of unique adventure experiences such as international date line outrigger canoe race, redevelopment of aerial tramway and ancillary activities, unique tourism assets such as Big Momma coral head, and others. <b>Action 3.</b> Heritage Tourism strategy to include developing traditional Samoan voyaging program, formalized WWII tours, rediscovering ancient Samoan heritage trails, development of fale lalagas (fine mat weaving houses), and others. <b>Action 4.</b> Sports Tourism strategy to include investing in modern facilities and equipment; introducing a more diversified sports program into the school system to build capacity; completing feasibility study on privatizing golf course; investing in development of Oceanic sports (va'a/coastal rowing, open water swimming, sailing), investing in extending and maintaining sidewalks throughout the territory to support walking, running, training, etc. <b>Action 5.</b> Food & Beverage Tourism strategy to include building capacity in culinary arts, advocating for the development of micro-breweries, etc. <b>Action 6.</b> Events & Conference strategy to include seeking improvements to facilities and event infrastructure, constructing new convention facilities, etc. <b>Action 7.</b> Environmental Research Tourism strategy to include identifying suitable partnering agencies, universities, scientific institutes, for the development of long-term partnerships, invest in research infrastructure; pursue the development of a satellite research campus with suitable partners.	ASVB DOC DMWR ASCOC ASHPO NPS AS OSA	2019-2020
<b>Strategy 3:</b> Identify and/or establish permanent revenue sources to support tourism growth.	<b>Action 1.</b> Develop work group to review current revenue streams and consider new long-term or permanent revenue streams for infrastructure development and maintenance.		2019-2020 Ongoing
<b>Strategy 4:</b> Develop an annual event calendar.	<b>Action 1.</b> Create Signature Event incubator program to cultivate and make permanent local events. <b>Action 2.</b> Market calendar off shore using on-line resources, travel industry wholesalers, and other proven methods.		2019-2020 Ongoing
<b>Strategy 5:</b> Develop a unique, effective marketing initiative (brand) to set American Samoa apart from neighboring countries.	<b>Action 1.</b> Establish an appropriate slogan/motto/brand. <b>Action 2.</b> Prioritize Samoa market to capture visitors from New Zealand, Australia. <b>Action 3.</b> Initiate long-term marketing campaign increasing the visibility of AS in the New Zealand and Australian markets. <b>Action 4.</b> Continue work through partnerships (i.e. Brand USA) to improve visibility across the international market. <b>Action 5.</b> Explore opportunities to use high-profile Samoans to market AS in the U.S. market.		2019-2020



Strategy	Action	Action Assigned To	Target Date
<b>Strategy 6:</b> Provide technical assistance to industry stakeholders to support improved products and services.	<b>Action 1.</b> Create workgroup to provide workshops and other technical assistance as needed.	ASVB ASCOC DOC SBDC	2019-2020 Ongoing
<b>Strategy 7:</b> Pursue permanent solution to the stray dog issue.	<b>Action 1.</b> Fully fund budget for Veterinarian's Office with adequate staffing support, supplies, and resources. <b>Action 2.</b> Develop workforce development program to improve capacity of labor pool in veterinary professions. <b>Action 3.</b> OSA to develop village-based solutions to the overpopulation of dogs.	DOA OB OSA DOE ASCC	2019-2020 Ongoing

#### Objective 4: Continue the development of the Agribusiness industry.

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Provide technical assistance to farming community to improve productivity and profitability of farms.	<b>Action 1.</b> Develop programs to teach new methods of farming i.e. hydroponics, aquaponics, indoor vertical farming, cross-cropping, or other methods to improve crop yield. <b>Action 2.</b> Develop and offer farming business management courses or workshops. <b>Action 3.</b> Explore viability of utilizing smart farming systems i.e. Management Information Systems (MIS), remote sensors, GIS, etc. <b>Action 4.</b> Promote Research and Development and market development of new potential cash crops, including medicinal herbs like turmeric, ava, nonu, etc.	DOA ASCOC ASCC	2019-2020 Ongoing
<b>Strategy 2:</b> Develop programs to incentivize farming.	<b>Action 1.</b> Conduct a process review of the ASG procurement process used to purchase foods to supply the School Lunch Program (SLP) with the goal of achieving the needs of the SLP while supporting local farmers. <b>Action 2.</b> Evaluate the establishment of a program that offers tax credits on all new depreciable, tangible, personal property (machinery and equipment) used in farming (see Goal 1, Objective 10, Strategy 1, Action 3). <b>Action 3.</b> Support Supplemental Nutritional Assistance Program's (SNAP) 'buy local' initiative through collaborations and pooling of resources.	DOE OP TREAS DOC DOA	Ongoing
<b>Strategy 3:</b> Modernize agricultural distribution system.	<b>Action 1.</b> Explore use of mobile point of sale (POS) systems at farmers market to increase sales. <b>Action 2.</b> Construct access roads to undeveloped, prime farm land with priority in Manu'a islands.	DOA DOC TREAS ASCOC DPW	2019-2020 Ongoing

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 4:</b> Invest in improving agricultural infrastructure.	<b>Action 1.</b> Coordinate domestic interisland sea transportation schedule with Manu'a farmers to ensure produce has quick access to local market. <b>Action 2.</b> Upgrade facilities at Fagatogo Farmer's Market. <b>Action 3.</b> Ensure business best practices are in place to support long-term maintenance and upkeep of Fagatogo Market.	DPA DOA OSA DOC	2019-2020 Ongoing
<b>Strategy 5:</b> Support efforts to utilize the territory as a hub for creation of value-added agricultural products for export into the US market.	<b>Action 1.</b> Support private industry efforts to source raw material from the region so as to compliment local production and meet market quantity demands. <b>Action 2.</b> Support private industry efforts to create high-demand value added products form regional produce/crops. <b>Action 3.</b> Support private industry efforts to establish or identify markets in the US for locally-produced agricultural value-added products.	GO DOC DOA ASCOC	2019-2020 Ongoing
<b>Strategy 6:</b> Establish a commercial kitchen to support value-added production.	<b>Action 1.</b> Develop a Commercial Kitchen as next step to the completed and EDA-funded Commercial Kitchen feasibility study (see Goal 1, Objective 6, Strategy 2, Action 1).	DOC DOA DOH ASCOC DMWR	2019-2020

#### Objective 5: Continue the development of the Aquabusiness industry.

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Identify aquabusiness opportunities that are viable in American Samoa.	<b>Action 1.</b> Conduct feasibility study on aquaculture practices that are suitable for American Samoa. <b>Action 2.</b> Prioritize aquaculture projects according to findings in feasibility study. <b>Action 3.</b> Conduct pilot projects to establish proof of concept for priority projects. <b>Action 4.</b> Incorporate traditional practices where appropriate.	DMWR ASCC DOC OSA	2019-2020
<b>Strategy 2:</b> Establish a commercial kitchen to support value-added production.	<b>Action 1.</b> Develop a Commercial Kitchen as next step to the completed and EDA-funded Commercial Kitchen feasibility study (see Goal 1, Objective 6, Strategy 2, Action 1).	DOC DMWR DOH ASCOC	2019-2020



Objective 6: Continue the development of the Creative industry.

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Develop technology roadmap for the local creative industries.	<b>Action 1.</b> Identify pathways to connect new technologies - digital environments, augmented reality, virtual reality, – to the creative industry. <b>Action 2.</b> Provide technical assistance to organizations, associations, and the creative community to forge these linkages.	DOC ASTCA SBDC ASCOC ASCACH OSA ASCC DOE	2019-2020
<b>Strategy 2:</b> Incorporate the creative industry (arts) into current territorial STEM initiative.	<b>Action 1.</b> Include a platform into the annual STEM week to highlight the creative industry. <b>Action 2.</b> Ensure that workforce development initiative includes connections to the creative industry.	ASPA DOE ASCC DOC ASCACH	2019-2020
<b>Strategy 3:</b> Ensure Tourism calendar of events includes events that highlight the Samoan culture and traditions.	<b>Action 1.</b> Collaborate with the Arts Council and other NGOs to define annual events to be included. <b>Action 2.</b> Utilize Signature Event incubator program to cultivate and make permanent local events (see Goal 2, Objective 3, Strategy 4, Action 1).	ASCACH ASVB ASCOC DOC ASHPO	2019-2020

Objective 7: Improve the territory's capacity to identify, pursue, and secure additional federal support through grant and other federal programs.

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Build ASG department's capacity to pursue discretionary grants relevant to their mandate.	<b>Action 1.</b> Conduct assessment of where each ASG department or agency stands with regards to ability to compete for digressionary grants. <b>Action 2.</b> Develop training program to address needs identified in Action 1. <b>Action 3.</b> Develop standard operating procedures for ASG regarding federal grant application processes.	GO DOC TREAS	2019-2020 Ongoing
<b>Strategy 2:</b> Establish a budget set-aside to support federally required matching funds for specific grant programs.	<b>Action 1.</b> Identify key development grant programs that have a cost-sharing or matching requirement. <b>Action 2.</b> Develop an annual budget for program. <b>Action 3.</b> Develop criteria by which ASG departments can compete and apply for these funds.	GO DOC TREAS	Ongoing

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 3:</b> Establish clarity around Native American Programs as it relates to American Samoan Natives, specifically regarding applicability of grant waiver of matching funds up to \$200,000 for all federal grant programs and CDFI programs.	<b>Action 1.</b> Create work group of relevant stakeholders; conduct thorough review of the issue. <b>Action 2.</b> Establish next steps based on findings.	GO DOC LA DEL	2019-2020
<b>Strategy 4:</b> Establish control systems that seek to ensure all grant funding is deployed in accordance with grant agreements and prior to performance period expiration dates.	<b>Action 1.</b> Streamline hiring process for all grant-funded staffing requirements. <b>Action 2.</b> Ensure all eligible grant-funded positions receive timely salary actions when qualifications are met. <b>Action 3.</b> Provide technical assistance to ASG departments in the areas of finance and grant management.	ALL	2019-2020

Objective 8: Pursue opportunities to promote light manufacturing opportunities where feasible.

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Include light manufacturing in Territorial Investment Guide.	<b>Action 1.</b> Feature previous operations that achieved success in this industry.	DOC	2019-2020
<b>Strategy 2:</b> Incentivize investment into light manufacturing businesses in American Samoa.	<b>Action 1.</b> Evaluate the establishment of a program that offers tax credits on all new depreciable, tangible, personal property (machinery and equipment) used in American Samoa. (See Goal 1, Objective 10, Strategy 1, Action 3).	DOC TREAS	2019-2020

Objective 9: Pursue opportunities to transition specific health care services to the private sector where feasible.

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Create workgroup to analyze where opportunities exit to foster growth in the private health care sector.	<b>Action 1.</b> Determine what services, if any, can be better served by the private sector. <b>Action 2.</b> Develop and implement strategy for transitioning of services; must include financial strategy to ensure long-term sustainability.	LBJ DOH DOC ASCOC MED	2019-2020



### GOAL 3: Strengthen Secondary Economic Development Support Systems

#### Objective 1: Improve Workforce Development initiatives to better prepare workforce.

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Formalize the Territorial Work-based Learning Program.	<b>Action 1.</b> Create work group to conduct comprehensive review of all work-based learning and work force development programs. <b>Action 2.</b> Develop strategy to consolidate and create synergy throughout these programs. <b>Action 3.</b> Assess status of incorporating project-based learning into secondary division/schools; projects would include robotics, programming, coding, etc.	GO HR DOC DOE ASCC	2019-2020
<b>Strategy 2:</b> Develop an ASG leadership training program.	<b>Action 1.</b> Conduct a needs analysis of ASG workforce to assess what professional developmental training is required. <b>Action 2.</b> Formalize a training program with workshops offered throughout the year. <b>Action 3.</b> Include as part of the program development separate career tracts i.e. career service employee, supervisor, manager, executive, etc.	GO HR ASCC SBDC ASCOC	2019-2020
<b>Strategy 3:</b> Conduct process review on ASG career paths.	<b>Action 1.</b> Develop and/or update ASG departmental career paths and prerequisites for advancement; make available to all employees. <b>Action 2.</b> As part of process review, ensure that policies regarding degrees versus industry credentials and work experience are thoroughly reviewed so as to improve retention efforts and build ASG capacity and expertise.	GO HR	2019-2020
<b>Strategy 4:</b> Establish a retirement security task force to report on retirement security of all residents.	<b>Action 1.</b> Conduct a review and report on the feasibility of creating a retirement savings plan for private-sector employees who do not have one with current employer. <b>Action 2.</b> Conduct a review and report on factors affecting retirement security of all residents.	GO LA DOC ASCOC	2019-2020

#### Objective 2: Improve Financial Literacy of community to improve our capacity to plan and manage our overall financial well-being.

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Develop financial literacy programs.	<b>Action 1.</b> Collaborate with local banks to assess where the public needs and priorities are. <b>Action 2.</b> Establish if Community Reinvestment Act (CRA) has resources available to support financial literacy programs. <b>Action 3.</b> Explore FDIC programs like Money Smart to support financial literacy programs. <b>Action 4.</b> Offer programs to the community through various channels.	TBAS ANZ DOC TREAS SBDC	2019-2020 Ongoing

#### Objective 3: Create synergy through improve the coordination, communication, and cooperation between federal & local governments.

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Establish a formal program whereby U.S. Territories can interface with federal partners more effectively to address mutual interests of concern.	<b>Action 1.</b> Collaborate with American Samoa's Delegate to the House of Representatives Office, DOI OIA, and other relevant agencies to assess current channels of communication or collaboration and their effectiveness. <b>Action 2.</b> Based on findings in Action 1, make recommendations on how to significantly improve communication and collaboration between federal and local governments.	GO LA DEL DOC	2019-2020

#### Objective 4: Mobilize and encourage non-governmental organizations (NGOs) to participate in economic development strategies.

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Utilize the talent and resources available in the community to implement actions included in the CEDS-AS.	<b>Action 1.</b> Improve collaborative efforts between ASG and ASCOC. <b>Action 2.</b> Establish a program whereby ASG engages veteran groups to collaborate on implementation of CEDS-AS. <b>Action 3.</b> Establish a program whereby ASG engages faith-based groups to collaborate on implementation of CEDS-AS. <b>Action 4.</b> Establish a program whereby ASG engages various ethnic community business groups to collaborate on implementation of CEDS-AS.	GO DOC ASCOC	2019-2020 Ongoing

#### Objective 5: Address socioeconomic and/or environmental issues that have an adverse impact on our ability so support economic development objectives.

Strategy	Action	Action Assigned To	Target Date
<b>Strategy 1:</b> Collaborate with appropriate sponsoring agencies to address socioeconomic concerns that impact economic development.	<b>Action 1.</b> Monitor global and local trends impacting the community. <b>Action 2.</b> Engage appropriate agencies to offer technical assistance, support, or other required resources.	GO DOC ASCOC	2019-2020 Ongoing
<b>Strategy 2:</b> Collaborate with appropriate sponsoring agencies to address environmental concerns that impact economic development.	<b>Action 1.</b> Monitor global and local trends impacting the community. <b>Action 2.</b> Engage appropriate agencies to offer technical assistance, support, or other required resources.	GO DOC ASCOC	2019-2020 Ongoing



Appendix D

Outreach Initiative: Roster of Interviewees

The CEDS-AS development team would like to acknowledge and thank the following people for participating in the development of this document.

Name	Title	Organization
Keith Gebauer	Deputy Director	ASG Department of Treasury
John Marsh	Special Assistant	
Lulu Barber	Executive Assistant	
Robert Ho Chee	Officer – Office of Financial Institution	
Rep. Samuel Meleisea	District Representative (Tualauta)	American Samoa Legislature (FONO)
Sandra King-Young	Director	American Samoa Medicaid Office
Wallon Young	Acting CEO	American Samoa Power Authority (ASPA)
Reno Livao	Chief Operation Officer	American Samoa Shipyard Services Authority (ASSSA)
Moefa'auo William Emmsley	Director	
Marion Timoteo	Business Office Manager	
Lewis Wolman	CEO	American Samoa Telecommunications Authority (ASTCA)
David Vaeafe	Executive Director	American Samoa Visitor's Bureau (ASVB)
Vaito'a Hans Langkilde	Deputy Director	
Tasi Scanlon	Country Manager	ANZ-American Samoa Bank
William Ledoux	Deputy Attorney General	Attorney General's Office
Ella Gurr	Chairwoman	American Samoa Chamber of Commerce (ASCOC)
Joe Tavale	Board Member	
Manu'a Chen	Board Member	
Mike Gebauer	Board Member	
Paula Stevenson-McDonald	Board Member	
Filifa'atali M. Fuiava	Director	ASG Department of Agriculture
Vui Falemalama Elisara Tagaloa	Special Assistant	
Va'amua Henry Sesepasara	Director	ASG Department of Marine and Wildlife Resources

Name	Title	Organization
Dr. Taimalelagi Claire Poumele	Director	ASG Department of Port Administration
Andrew Berquist	IT Project Manager	ASG Department of Treasury – IT Division
Nofo Sualevai	Network Systems Supervisor	
Olivia Reid	President	GHC Reid, INC.
Cherith Lober-Soliai	General Manager Accounts Receivable	
Maria Villaruz	Manager Controller	
Peter Lamey	CEO	ICS Cargo Support and Island Fisheries
Solip Hong	General Manager	KS Mart
Faumuina John Faumuina	Chief Executive Officer	LBJ Hospital
Akenese Nikolao	Director of HR	
Aitofele Sunia	Legal Counsel	
Dr. Akapusi Ledua	Chief Orthopedic Surgeon	
Scott Burch	Superintendent	National Park of American Samoa (NPS AS)
Tom Drabble	CEO/Hotelier	Sadie's by the Sea, Sadie's Thompson Inn
Taotasi Archie Soliai	HR Manager	StarKist, Inc.
Peter Crispin	CEO	Tool Shop
Lydia Faleafine-Nomura	Field Representative	U.S. Department of Interior - Office of Insular Affairs (DOI OIA)
Howard Helg	CEO	VCX Technologies
Muavaefa'atasi J. Suisala	Director	ASG Department of Human and Social Services
Lagia F. Tuala	Assistant Director, AS Nutritional Assistance Progam	

Appendix E

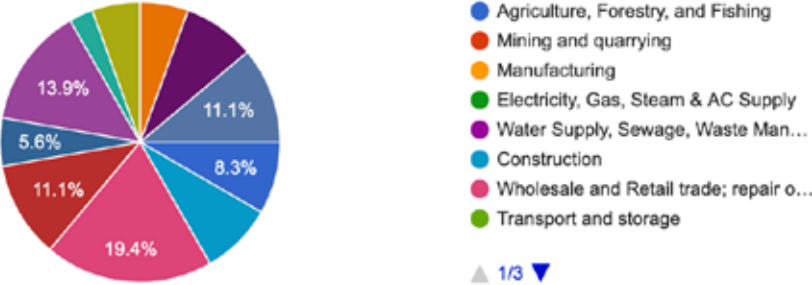
CEDS-AS Outreach Activities

The American Samoa Government Department of Commerce (DOC) Comprehensive Economic Development Strategy (CEDS) team conducted its stakeholder outreach over the course of 6 months through a survey that was made available online. Letters were delivered to over 50 public and private stakeholders outlining the purpose of the CEDS and providing instructions on how to complete the survey as well as a URL link to the google form survey. Responses were received by approximately 75% of stakeholders that were informed of the survey.

Survey

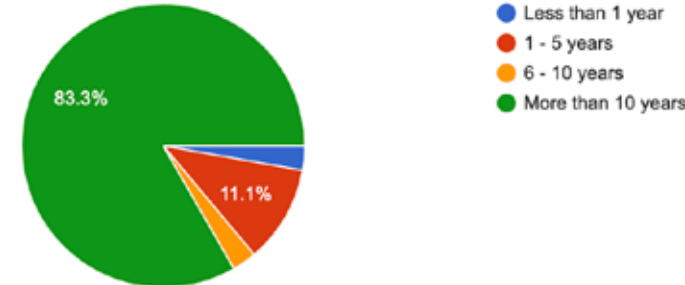
Industry

What industry best describes the function of your business or organization?

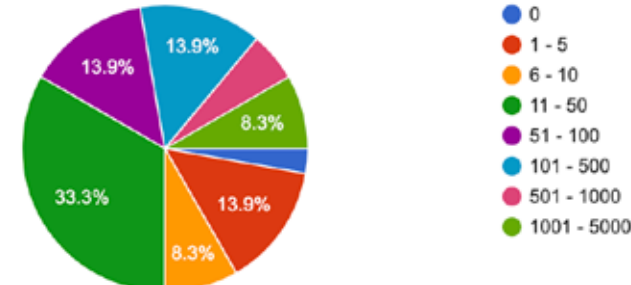


Basic Info

How long has your business or organization existed?



How many employees does your business/organization employ?

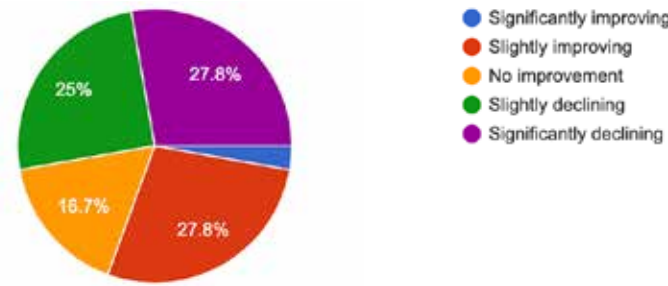




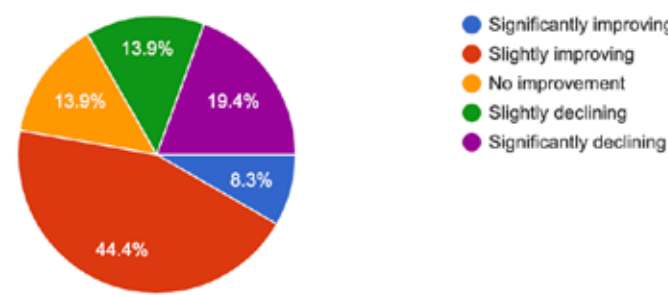
Survey - continued

American Samoa Economy

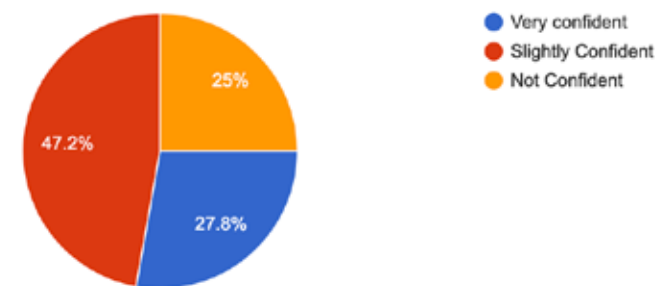
How would you best describe the current state of the American Samoa economy?



Where do you see the American Samoa economy in the future (5 years)?

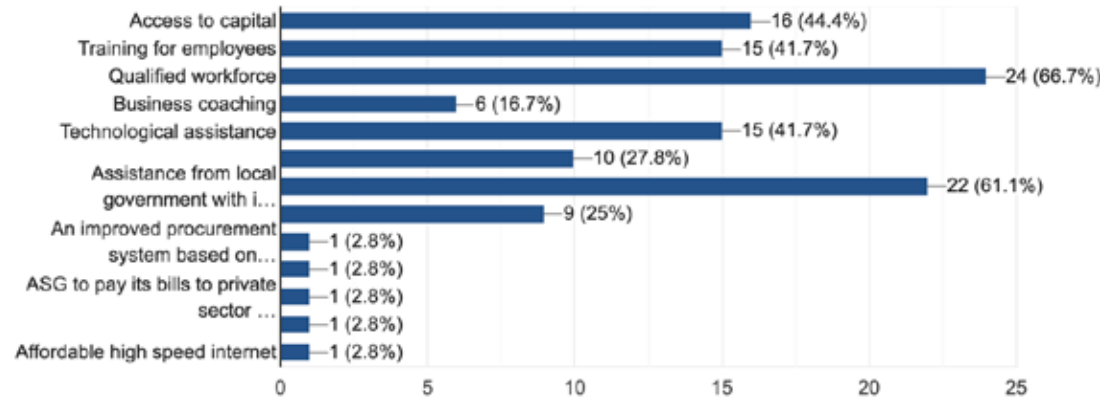


How confident are you with the prospect of re-investing into the expansion or growth of your business/organization?

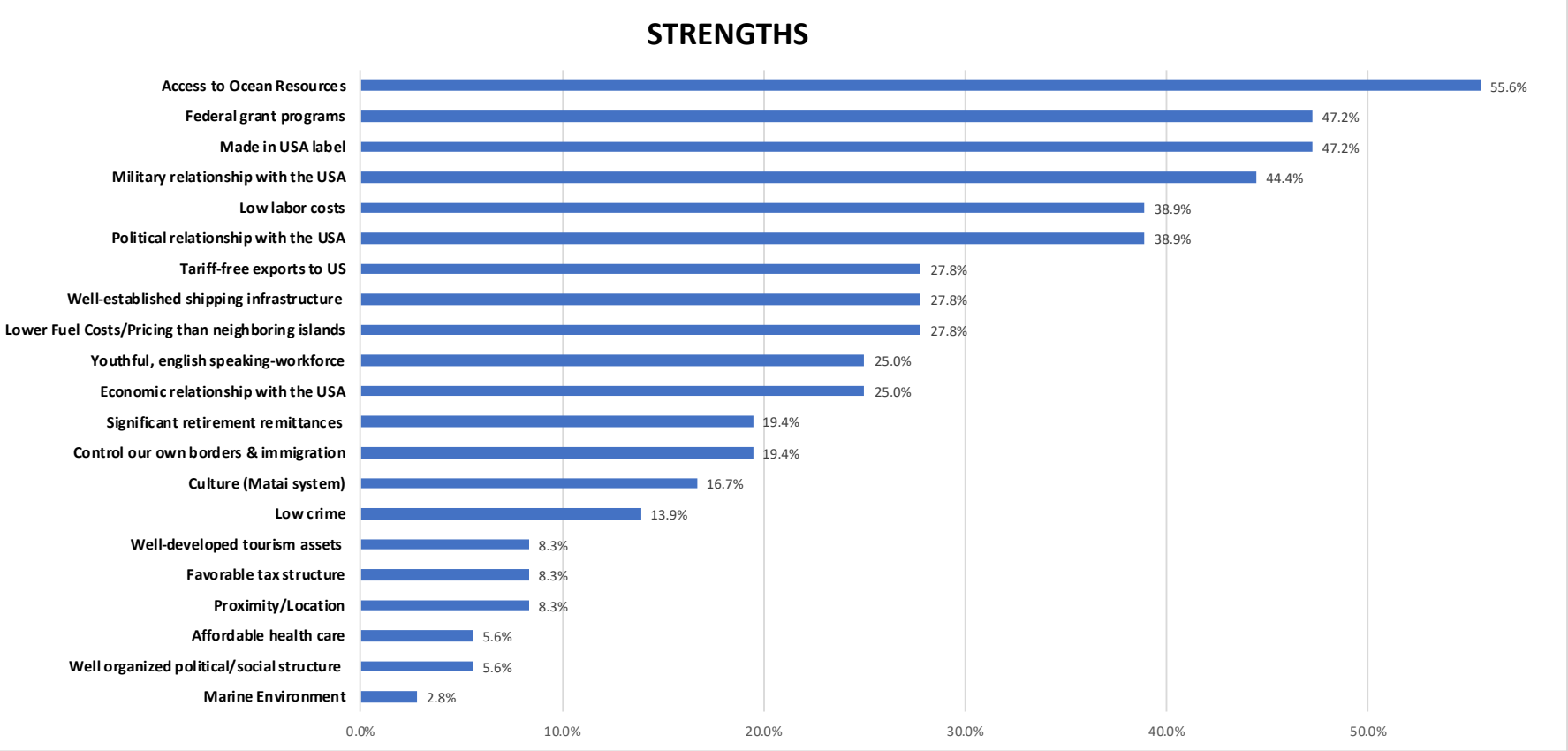


Business Organizational Needs

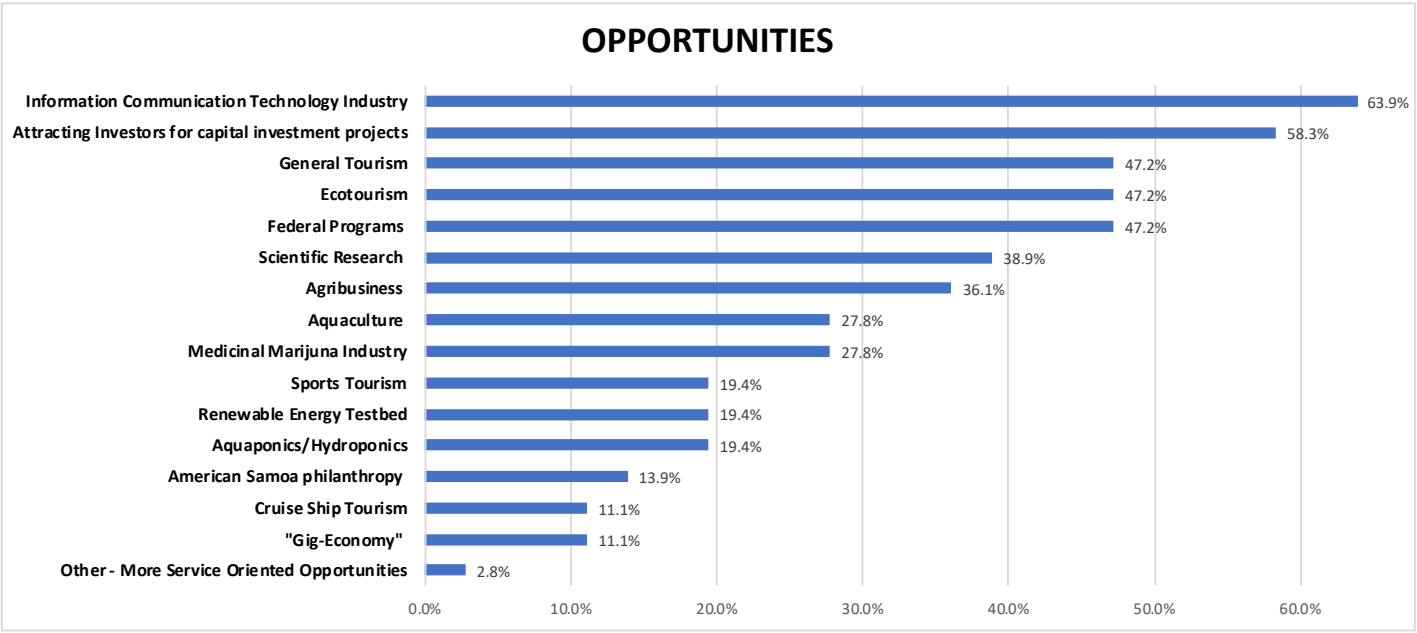
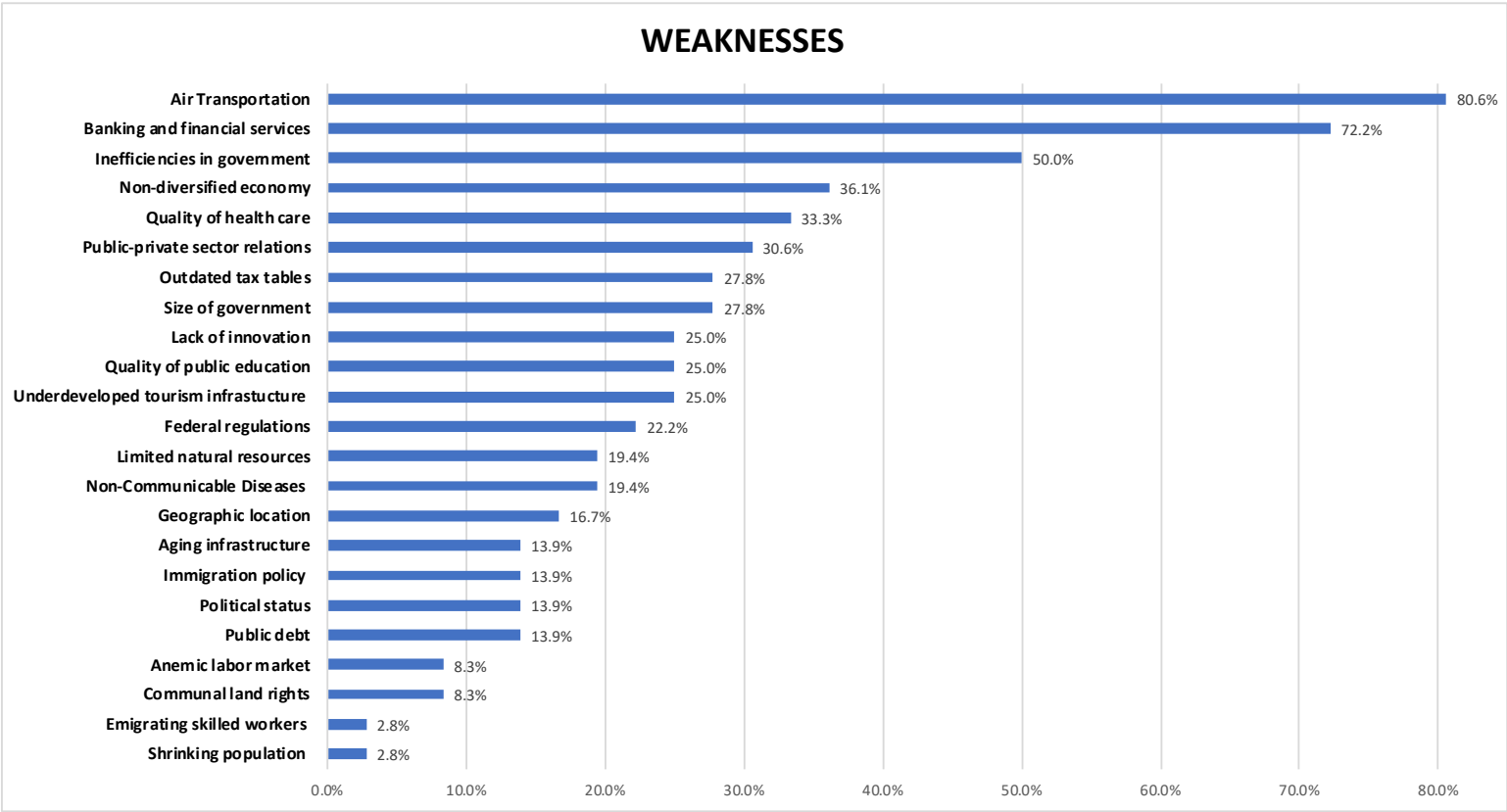
As a business owner or leader, what do you need to expand or take your business to the next level?



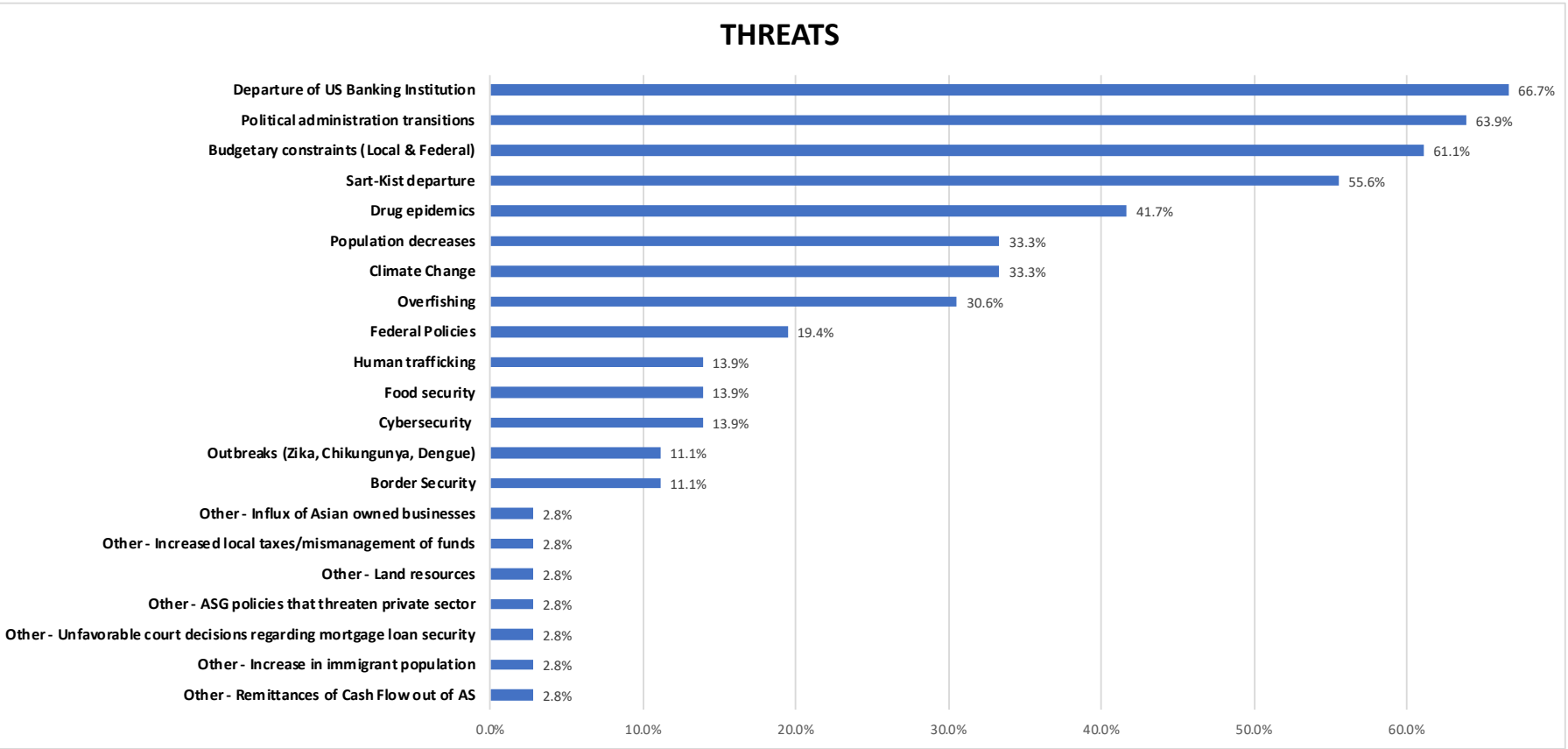
SWOT Analysis











Interviews

Following the dissemination of the survey letters, staff conducted email/phone follow-ups to ensure continued survey responses. As survey responses continued to be completed, staff began scheduling interviews with government, business, and non-government leaders for a better sense of the various organizational insight and feedback with regard to the Territorial economy. While most of the interviews were open-ended, some pointed questions were asked in terms of:

- Large scale infrastructure projects, expansions, and organizational outlook over the next 3-5 years
- Perceptions and challenges in the current state of economy
- Potential policies or program that are either beneficial or harmful to their organization, business, and the overall economy

Utilizing the data received from the preliminary surveys, relevant existing plans, and in-depth interviews, the CEDS-AS work group was able to incorporate both historical and data analysis in order to devise objectives, strategies, and actions across various economic areas in moving forward. The list of interviewees who participated in the outreach initiative are listed in Appendix D.




Waterfall in Nu'uuli village.



# Appendix F

## American Samoa Government Department of Commerce CEDS-AS Workgroup

Name	Title	CEDS-AS Role
Keniseli Lafaele	Director	Project Champion
Ulli Lauanae	Deputy Director	Contributor/Editor
Sandra Fuimaono Lutu	Deputy Director	Contributor/Editor
Michael McDonald	Territorial Planner	Contributor/Editor
Nathaniel Clayville	Senior Economist	Contributor/Editor
Ti'a P. Reid	Program Coordinator	Contributor/Editor
Tufanua Mase	General Planner	Contributor/Editor
Savali Sunia	Economic Planner	Contributor/Editor
Petti Matilla	Executive Assistant to Director	Contributor/Editor
Pillevsburg Salanoa	CSBG Manager	Contributor/Editor

  
**We thank the following for their photo contributions:**  
Paula Stevenson-McDonald (TourAmericanSamoa.com),  
Jan Heijdra (Parkwonders.com), American Samoa  
Telecommunications Authority, American Samoa Visitor's  
Bureau, National Marine Sanctuary of American Samoa

**We also thank the artist Regina Meredith for the  
traditional Samoan siapo (tapa) motifs.**

Photo right: Ofu Beach,  
National Park of American Samoa.

Back cover: Fogama'a Beach, Vaitogi village.





## Comprehensive Economic Development Strategy 2018-2022

Prepared by:  
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